

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER) CASE NO. IPC-E-21-09
COMPANY’S APPLICATION FOR)
APPROVAL OF THE CAPACITY)
DEFICIENCY TO BE UTILIZED FOR)
AVOIDED COST CALCULATIONS)

IN THE MATTER OF COMMISSION) CASE NO. GNR-E-22-01
STAFF’S APPLICATION TO UPDATE)
INPUTS TO THE “SURROGATE)
AVOIDED RESOURCE” METHOD) ORDER NO. 35475
AVOIDED COST RATES)

On April 9, 2021, Idaho Power Company (“Company”) filed Case No. IPC-E-21-09 and applied for Commission approval of its First Capacity Deficiency Date determination for avoided cost calculations under the Public Utility Regulatory Policies Act of 1978 (“PURPA”) based on its Second Amended 2019 Integrated Resource Plan (“IRP”).

On February 4, 2022, the Company filed an Amended Application, seeking to implement a First Capacity Deficiency Date of July 2023.

On May 25, 2022, the Commission issued Order No. 35415, approving a First Capacity Deficiency Date of July 2023. Order No. 35415.

On May 31, 2022, the Commission issued Order No. 35422 in Case No. GNR-E-22-01, approving the natural gas forecast update from U.S. Energy Information Administration (“EIA”) Annual Energy Outlook to be effective on June 1, 2022. The Order also directed that “[u]pon issuance of this Order, and to conform to our decision in Order No. 35415, Idaho Power’s SAR rates should be updated to reflect Idaho Power’s new capacity deficiency date in the summer of 2023.” Order No. 35422 at 3.

On June 13, 2022, Staff updated the SAR Model and the avoided cost rates, using the First Capacity Deficiency Date approved by Order No. 35415 in Case No. IPC-E-21-09 and the natural gas forecast approved by Order No. 35422 in Case No. GNR-E-22-01, and sent both the Model and the rates to the Company for verification.

On June 13, 2022, the Company filed a Comment Letter with the Commission, confirming that the rates for both updates were correct.

Having reviewed the record and Staff's recommendation, we now issue this Order approving the Company's updated avoided cost rates, effective as of June 1, 2022.

STAFF COMMENTS AND BACKGROUND

Staff noted that under ideal circumstances, the SAR-based rates would have been updated first to reflect the new First Capacity Deficiency Date authorized in Order No. 35415, and then updated again to reflect the natural gas forecast authorized with an effective date of June 1, 2022. However, because the updated Capacity Deficit Date was approved on May 25, 2022, and standard practice involves several additional weeks for the Company to verify the rates in the SAR Model after each update is authorized by the Commission, it was not practical to process each set of rates separately due to the short time between the two orders. After the issuance of Order No. 35415, Staff notified the Company it was processing both updates concurrently and asked to be notified if rates were required that reflect only the updated First Capacity Deficiency Date for the period between May 25, 2022, and June 1, 2022. Staff did not receive a request from the Company.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, 61- 502, and 61-503. The Commission has the power to “supervise and regulate every public utility in the state and to do all things necessary to carry out the spirit and intent of the [Public Utilities Law].” *Idaho Code* § 61-501. The Commission also has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (“FERC”) to set avoided costs, to order electric utilities to enter fixed term obligations for the purchase of energy from QFs, and to implement FERC rules.

Having reviewed the record, we find that Staff correctly calculated the Company's avoided cost rates based on the Company's updated capacity deficiency date in the summer of 2023 approved in Order No. 35415 and the updated natural gas forecast approved in Order No. 35422. We find the updated rates to be fair, just, and reasonable.

ORDER

IT IS HEREBY ORDERED that the updated avoided cost rates to reflect the Company's updated capacity deficiency date in the summer of 2023 and the updated natural gas forecast are approved, effective as of June 1, 2022.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 28th day of July 2022.



ERIC ANDERSON, PRESIDENT

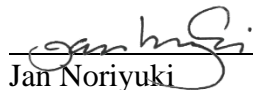


JOHN CHATBURN, COMMISSIONER

//abstain to avoid conflict//

JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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