

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: EDWARD JEWELL
DEPUTY ATTORNEY GENERAL

DATE: AUGUST 2, 2019

SUBJECT: APPLICATION OF IDAHO POWER FOR A VALIDATED ECONOMIC CLOSURE DATE FOR NORTH VALMY POWER PLANT UNIT 2; CASE NO. IPC-E-19-18.

On June 27, 2019, Idaho Power Company (“Idaho Power” or “Company”) filed an Application requesting the Commission acknowledge that the Company has sufficiently validated the economic retirement of Unit 2 of the North Valmy Power Plant (“Valmy”) as December 31, 2025.

On July 19, 2019, the Company filed a letter in IPC-E-19-19 stating that it needed additional time to perform modeling and analysis for its 2019 Integrated Resource Plan (“IRP”). The revised IRP analysis will likely impact the economic analysis conducted in this case.

THE APPLICATION

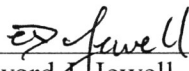
In Case No. IPC-E-16-24, the Commission approved a settlement stipulation to facilitate the Company’s exit from Valmy Units 1 and 2 before the originally expected end of life for the coal-fired units. *See* Order No. 33771. In Case No. IPC-E-19-08, the Company requested the Commission approve various contractual and accounting mechanisms related to the Company’s exit from Valmy Unit 1 by December 31, 2019, and Unit 2 by December 31, 2025, and to update customer rates accordingly. The Commission approved the Company’s Application but stated that further analysis was necessary to validate the economic retirement date of Unit 2. Order No. 34349. This Application contains the Company’s efforts to validate a December 31, 2025 economic retirement for Valmy Unit 2.

STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application. Because this Application will likely be impacted by the Company's revised 2019 IRP analysis, Staff does not recommend setting procedure or timelines at this time. Once the impact of the revised 2019 IRP analysis on this case is known, Staff will make further recommendations regarding procedure and timing.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application?



Edward J. Jewell
Deputy Attorney General

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