

DECISION MEMORANDUM

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

FROM: EDWARD JEWELL
DEPUTY ATTORNEY GENERAL

DATE: FEBRUARY 28, 2020

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.

On August 13, 2019, the Commission issued a Notice of Application stating that no further action would be taken on the Company’s Application until the Company submitted its amended 2019 IRP. Order No. 34409.

On July 31, 2020, the Company submitted its amended 2019 IRP.

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 requests approval of December 31, 2025, as the economic retirement date for Valmy Unit 2.

STAFF RECOMMENDATION

Idaho Conservation League has already intervened in this case. Order No. 34398. Staff recommends the Commission establish a 21-day intervention period to allow other interested parties to intervene, after which the parties will meet to discuss procedure and timeline by which to process the case and make a recommendation regarding such to the Commission.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Intervention Deadline with a 21-day intervention period?



Edward J. Jewell
Deputy Attorney General

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