

DONOVAN E. WALKER (ISB No. 5921)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5317
cell: (208) 830-4177
Facsimile: (208) 388-6936
dwalker@idahopower.com

Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-19-20
APPROVAL OF THE CAPACITY)	
DEFICIENCY TO BE UTILIZED FOR)	COMMENTS OF IDAHO
AVOIDED COST CALCULATIONS.)	POWER COMPANY
)	
)	

Idaho Power Company (“Idaho Power” or “Company”), in accordance with Notice of Modified Procedure Order No. 34598, hereby respectfully submits the following Comments to the Idaho Public Utilities Commission (“Commission”). Idaho Power appreciates the opportunity to reduce to writing the brief comments it intended to make at the Commission’s March 10, 2020, Decision Meeting at which Staff was requesting dismissal of the Company’s Application. The Company acknowledges that the Commission has issued clear and direct orders on this topic and will not belabor the issue here. However, there are just a couple of points the Company would like to make before the Commission decides whether to dismiss the Application.

A. Changing All-Utility Requirements in a Single-Utility Docket -- While Idaho Power is not aware of any case that directly says the Commission does not change requirements applicable to all utilities in a single-utility docket, I think everyone would agree that the Commission historically, or traditionally, has not made this its practice. In this particular case, the Commission created the requirement for each utility to file a separate case to determine the capacity deficiency for avoided cost purposes at the time it files its Integrated Resource Plan (“IRP”). This requirement was ordered in a GNR case, GNR-E-11-03, which was a multi-utility, multi-party, contested hearing case. However, the Commission subsequently changed this requirement, even to the extent that it announced an amendment to the final order from GNR-E-11-03, but did so in a single-utility case, a PacifiCorp case, PAC-E-17-09.

This PacifiCorp case was its own avoided cost capacity deficiency filing associated with its 2017 IRP filing. Idaho Power had its own corresponding case for avoided cost capacity deficiency associated with its 2017 IRP, IPC-E-17-12, going on at approximately the same time, however the timing of the filing was not changed in Idaho Power’s case. (Idaho Power’s case, IPC-E-17-12: Application filed 7-26-17, Staff Comments filed 9-6-17, final order issued 10-5-17, and reconsideration order issued 11-09-17. PacifiCorp’s case, PAC-E-17-09: Application filed 8-18-17, Staff Comments 9-28-17, and final order issued 10-24-17.) Idaho Power had no reasonable expectation that the Commission would make changes applicable to Idaho Power in PacifiCorp’s case, especially changes that were not brought up or directed in the nearly simultaneous Idaho Power case addressing the same topic.

A change to the Commission’s historical and traditional practice of making all-utility

determinations in a GNR case and proceeding, and not in a single-utility docket, would require the utilities to not only monitor every case filed by every other utility, but also to directly intervene as a party in many instances. Idaho Power has not anticipated this level of involvement in other utility cases, nor other utilities' involvement in Idaho Power's cases. If this is the intent of the Commission then Idaho Power, and the other utilities as well, will need to change their practice and participation in Commission proceedings.

B. Basis of the Timing Change -- In changing the capacity deficiency filing from the time the utility files its IRP to the time when the IRP is acknowledged, the Commission has made a substantial shift of several months, even up to a year, in the applicability of a more current capacity deficiency determination for avoided cost rates. Whenever there is a delay from the time that we know an input to avoided costs will be different to the time when that change is put in place, there is the potential for QF projects to lock-in higher rates for the duration of their PURPA contracts, to the direct detriment of customers. The record shows that the decision to change the general filing requirement for all utilities was made in PacifiCorp's case and based upon convenience to Staff with no mention or evaluation of the possible impact to customers from the delay in effectiveness of any potential change. The only mention in the record is in a brief paragraph in Staff's Comments as follows:

While Order No. 32697 directs all three electric utilities to file their first capacity deficiency case after submitting their IRP report to the Commission, Staff respectfully suggests that cases seeking first capacity deficiency date authorizations for all three utilities be filed after Commission IRP acknowledgement.

Staff has found that the scope of review to determine the reasonableness of the proposed deficiency date must sometimes consider a large subset of factors that are typically

reviewed for IRP acknowledgement. However, Staff's review and Commission acknowledgment of the IRP can occur several months after the first capacity deficiency date cases are settled. Staff believes it would be more efficient and appropriate to delay capacity deficiency filings until after Commission IRP acknowledgment. This would eliminate duplication of effort between the two types of cases and ensure that all factors that could affect the first capacity deficiency date are covered through the comprehensive nature of the IRP acknowledgement review.

Staff Comments, p. 4-5, Case No. PAC-E-17-09. Similarly, the record shows that the Commission's only discussion regarding the substantive timing change applicable to all utilities, is a similar single paragraph referencing impact on the utilities planning process and improved efficiency for Staff's review, but no mention of any consideration about how the timing could, or could not, affect customer rates:

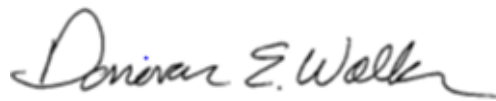
As to the timing of the Company's and other electric utilities' capacity deficiency filings, we find it reasonable for the utilities to postpone such filings until after we have completed our consideration of the utilities' IRP reports and acknowledged them. Rocky Mountain did not oppose this change in timing, and it does not appear to have a negative impact on the utilities or their planning processes and will ensure improved efficiency and greater comprehensiveness of Staff's review. We therefore amend Order No. 32697 to direct the utilities to file their first capacity deficiency cases after the Commission has acknowledged their IRP reports.

Order No. 33914, p. 4, Case No. PAC-E-17-09. A substantive change that potentially delays the implementation of a new capacity deficiency period for avoided cost rates by months has the potential to impact customers should QF contracts and/or obligations be locked-in with an overpayment of capacity. There is nothing in the record to show that this was a consideration when changing a requirement the Commission created out of a contested hearing docket to separate the avoided cost capacity deficiency determination

from that in the IRP.

Idaho Power acknowledges that there may be times, such as with the Company's 2019 IRP that the process is delayed, and it may make sense to also delay the determination of capacity deficiency for avoided costs. However, if it is the expectation that the Company must monitor and intervene in all other utility proceedings, even parallel proceedings happening simultaneously such as was the case here, then the Company needs to know that this will be the new practice. Additionally, determinations made in multi-utility and multi-party proceeding that go to hearing, should not be changed or abandoned for the convenience of one party without some discussion on the record that such convenience outweighs the potential customer harm that could result from the change.

Respectfully submitted this 31st day of March 2020.



DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 31st day of March 2020, I served a true and correct copy of the within and foregoing Comments of Idaho Power Company upon the following named parties by the method indicated below, and addressed to the following:

Edward Jewell	<input type="checkbox"/> Hand Delivered
Deputy Attorney General	<input type="checkbox"/> U.S. Mail
Idaho Public Utilities Commission	<input type="checkbox"/> Overnight Mail
	<input type="checkbox"/> FAX
Edward.jewell@puc.idaho.gov	<input checked="" type="checkbox"/> Email

/s/ Christy Davenport
Christy Davenport, Legal Assistant