

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 APPROVAL OF THE CAPACITY DEFICIENCY TO BE UTILIZED FOR AVOIDED COST CALCULATIONS; CASE NO. IPC-E-19-20.

On June 28, 2019, Idaho Power Company (“Company”) filed an Application requesting the Commission approve a first capacity deficit date of July 2029 to be used in avoided cost calculations under the Public Utility Regulatory Policies Act of 1978 (“PURPA”).

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 potentially impact the first capacity deficit date.

THE APPLICATION

Under PURPA, the Commission has established a surrogate avoided resource (“SAR”) methodology and an Integrated Resource Plan (“IRP”) methodology to calculate avoided cost rates for qualifying facilities (“QFs”). Eligibility for SAR or IRP avoided cost rates is determined by the QF’s resource type and project size. Under both methods, a QF receives capacity payments only after the applicable capacity deficit date is reached. The capacity deficit date in effect when the QF establishes a legally enforceable obligation with the Company is the applicable capacity deficit date for that QF. The capacity deficit date is determined through the Company’s IRP.

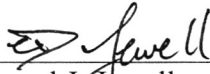
STAFF RECOMMENDATION

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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