

## **DECISION MEMORANDUM**

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

**FROM: DAYN HARDIE  
DEPUTY ATTORNEY GENERAL**

**DATE: MARCH 5, 2020**

**SUBJECT: IN THE MATTER OF IDAHO POWER'S PETITION FOR APPROVAL OR  
DENIAL OF AN ENERGY SALES AGREEMENT WITH LATERAL 10  
VENTURES, LLC FOR THE SALE AND PURCHASE OF ELECTRIC  
ENERGY FROM THE LATERAL #10 HYDRO PROJECT; CASE NO. IPC-  
E-20-03.**

On February 14, 2020, Idaho Power Company ("Idaho Power" or "Company") filed an Application requesting consideration of an Energy Sales Agreement ("ESA" or "Agreement") with Lateral 10 Ventures, LLC ("Lateral 10") for energy generated by the Lateral #10 hydro project ("Facility"). The Facility is a 2.062-megawatt nameplate capacity hydro facility near Twin Falls, Idaho. The Facility is a qualifying facility ("QF") under the Public Utility Regulatory Policies Act of 1978. The Facility has a scheduled First Energy Date under the ESA of May 5, 2020. The Company requests that its Application be processed by Modified Procedure and the Commission make its determination before the May 4, 2020.

### **THE APPLICATION**


The Facility has been delivering energy to Idaho Power under a power sales agreement dated June 8, 1984, which expires May 4, 2020. The Company states that the replacement Agreement contains published non-seasonal, non-levelized hydro published avoided cost rates for a 20-year term. Additionally, the Agreement contains capacity payments for the entire term of the Agreement. The Company requests the Commission declare all payments for purchase of energy under the ESA be allowed as prudently incurred expenses for ratemaking purposes.

### **STAFF RECOMMENDATION**

Staff recommends the Commission issue a Notice of Application and Notice of Modified Procedure and set a March 31, 2020 public comment deadline and an April 7, 2020 Company reply comment deadline.

### **COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure and set a March 31, 2020 public comment deadline and an April 7, 2020 Company reply comment deadline?



Dayn Hardie  
Deputy Attorney General

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