

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF IDAHO POWER** ) **CASE NO. IPC-E-20-07**  
**COMPANY’S APPLICATION FOR** )  
**APPROVAL OF THE SECOND** ) **ORDER NO. 34639**  
**AMENDMENT TO THE ENERGY SALES** )  
**AGREEMENT FOR THE HAZELTON A** )  
**HYDRO PROJECT** )

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On February 20, 2020, Idaho Power Company (“Idaho Power”) filed an Application seeking approval of the Second Amendment (“Amendment”) to its Energy Sales Agreement (“ESA”) with North Side Energy Company, Inc. (“Seller”). The ESA falls under the Public Utility Regulatory Policies Act of 1978 (“PURPA”) and is a contract for the sale and purchase of electric energy generated by the Hazelton A hydro generation facility—a PURPA qualifying facility. The Amendment addresses when the Seller must notify Idaho Power in order to revise future monthly Estimated Net Energy Amounts.

On March 11, 2020, the Commission issued a Notice of Application and Modified Procedure, setting an April 1, 2020 comment deadline and an April 8, 2020 reply comment deadline. Commission Staff filed the only comments and supported the Application. Idaho Power did not file reply comments.

Having reviewed the record, we now approve the Amendment as discussed below.

### BACKGROUND

The Commission approved Idaho Power’s ESA with the Seller in 2011. Order No. 32181. The ESA was first amended by Idaho Power and the Seller on May 1, 2014 to change the definition of Mid-Columbia Market Energy Cost, and the Commission approved this first amendment in June 2014. *See* Order No. 33053.

Section 6.2.3 of the ESA addresses when the Seller must notify Idaho Power if it wishes to revise any future monthly Estimated Net Energy Amounts after the Operation Date. The Seller must give Idaho Power at least three months’ notice in order to revise a given month’s Estimated Net Energy Amount. *See* Case No. IPC-E-10-45, Application, Attachment 1 at 12.

### THE AMENDMENT

The Amendment changes when the Seller must notify Idaho Power in order to revise future monthly Estimated Net Energy Amounts. The current ESA requires the Seller to give Idaho

Power at least three months' notice in order to revise any month's Estimated Net Energy Amount. The Amendment states that "[a]fter the Operation Date, the Seller must revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the 25<sup>th</sup> day of the month that is prior to the month to be revised." Application, Attachment 1. If the 25<sup>th</sup> day falls on a weekend or holiday, Idaho Power must receive written notice by the last business day prior to the 25<sup>th</sup> day of the month. The Amendment provides the following example: "...if the Seller would like to revise the Estimated Net Energy Amount for October, they would need to submit a revised schedule no later than September 25 or the last business day prior the September 25." *Id.*

### **STAFF COMMENTS**

Staff recommended the Commission approve the Amendment. Staff noted the "Commission has approved a five-day revision to monthly generation estimates in previous cases, recognizing that Estimated Net Energy Amounts that are closer to the time of delivery can improve the accuracy of input used by [Idaho Power] for short-term operational planning." Staff Comments at 2. Staff believes that, because Idaho Power has an established generation history for the Hazelton A hydro generation facility, a five-day advanced notice for generation estimate adjustments is sufficient.

### **COMMISSION FINDINGS AND DECISION**

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-502 and 61-503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and 61-503. The Commission also has authority under PURPA and Federal Energy Regulatory Commission ("FERC") regulations to set avoided cost rates, to order electric utilities to enter fixed-term obligations for the purchase of energy from QFs, and to implement FERC rules. The Commission may enter any final order consistent with its authority under Title 61 and PURPA.

The Commission has reviewed the record, including the Application, proposed Amendment, and the comments of Staff. In multiple cases, the Commission has allowed a five-day advanced notification to adjust monthly Estimated Net Energy Amounts, recognizing that adjustments made closer to the time of delivery can improve the accuracy of input used by Idaho Power for short-term operational planning. *See, e.g.*, Case Nos. IPC-E-19-01, IPC-E-19-03, IPC-


E-19-04, IPC-E-19-07, and IPC-E-19-12. Based on our review, we find it fair, just, and reasonable to approve Idaho Power’s Amendment modifying the advance notice required for the monthly Estimated Net Energy Amounts.

**ORDER**

IT IS HEREBY ORDERED that the Amendment to Idaho Power’s ESA with North Side Energy Company, Inc.—changing from a one-month plus advanced notice to a five-day advanced notice for adjusting Estimated Net Energy Amounts—is approved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order about any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 21<sup>st</sup> day of April 2020.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
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ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Diane M. Hanian  
Commission Secretary

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