

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER’S) CASE NO. IPC-E-20-08
APPLICATION FOR APPROVAL OF THE)
FIRST AMENDMENT TO THE ENERGY) NOTICE OF APPLICATION
SALES AGREEMENT FOR THE HEAD OF)
U HYDRO PROJECT) NOTICE OF
) MODIFIED PROCEDURE
)
) ORDER NO. 34581

On February 20, 2020, Idaho Power Company (“Company”) applied for approval of the First Amendment to its Energy Sales Agreement (“ESA”) with North Side Energy Company, Inc. (“Sellers”). 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 Head of U Hydro Project, a PURPA qualifying facility (“QF”). The Amendment addresses when Sellers must notify the Company in order to revise future monthly Estimated Net Energy Amounts. The Company asked that the Commission process its Application by Modified Procedure with Staff recommending the same.

The Commission now issues this Notice of Application and Notice of Modified Procedure setting public comment and Company reply deadlines.

BACKGROUND

Under PURPA, electric utilities must purchase electric energy from “qualifying facilities” (QFs) at purchase or “avoided cost” rates approved by this Commission. 16 U.S.C. § 824a-3; *Idaho Power Co. v. Idaho PUC*, 155 Idaho 780, 789, 316 P.3d 1278, 1287 (2013). The Commission has established two methods for calculating avoided costs, depending on the size of the QF project: (1) the surrogate avoided resource (“SAR”) methodology, used to establish “published” avoided cost rates; and (2) the integrated resource plan (“IRP”) methodology, to calculate avoided cost rates for projects exceeding published rate limits. *See* Order No. 32697 at 7-8. Published rates are available for wind and solar QFs with a design capacity of up to 100 kilowatts (kW), and for QFs of all other resource types with a design capacity of up to 10 average megawatts (aMW). *Id.*; *see also* 18 C.F.R. § 292.304(c).

On August 21, 2014, the Commission approved the Company's ESA with Sellers. Order No. 33102.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on February 5, 2020, the Company and Sellers entered a First Amendment to the ESA, subject to this Commission's approval.

YOU ARE FURTHER NOTIFIED that in the First Amendment, the Company and Sellers agreed to delete Section 6.2.3 of the ESA—titled “Seller's Adjustment of Estimated Net Energy Amounts after the Operation Date”—and replace it with a new Section 6.2.3 that changes when the Sellers must notify the Company in order to revise future monthly Estimated Net Energy Amounts. The First Amendment states that “[a]fter the Operation Date, the Seller[s] must revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 p.m. Mountain Standard Time on the 25th day of the month that is prior to the month to be revised.” If the 25th falls on a weekend or holiday, written notice must be received by the Company by the last business day before the 25th day of the month.¹

YOU ARE FURTHER NOTIFIED that the Application is available for public inspection during regular business hours at the Commission's office. The Application is also available on the Commission's web site at www.puc.idaho.gov. Click on the “ELECTRIC” tab at the top of the home page, then click on “Open Cases,” and then locate and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code. The Commission may enter any final order consistent with its authority under Title 61 and PURPA.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure

¹ The First Amendment provides the following example: “[I]f the Seller[s] would like to revise the Estimated Net Energy Amount for October, they would need to submit a revised schedule no later than September 25th, or the last business day prior to September 25th.”

pursuant to Rules 201 through 204 of the Commission's Rules of Procedure. *See* IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application **must file a written comment in support or opposition with the Commission by April 2, 2020**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Company at the addresses reflected below:

For the Commission:
Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:
11331 W. Chinden Blvd.
Building 8, Suite 201-A
Boise, ID 83714

For Idaho Power:
Donovan E. Walker
1221 West Idaho Street (83702)
P.O. Box 70
Boise, ID 83707-0070
dwalker@idahopower.com
dockets@idahopower.com
energycontracts@idahopower.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Consumers" tab then click the "Case Comment Form" and complete the comment form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that the Company must file any reply comments **by April 9, 2020**.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

ORDER

IT IS HEREBY ORDERED that the Company's Application be processed by Modified Procedure, Rule 201-204. *See* IDAPA 31.01.01.201 through .204. Persons interested in submitting written comments must do so by April 2, 2020. The Company must file any reply comments by April 9, 2020.

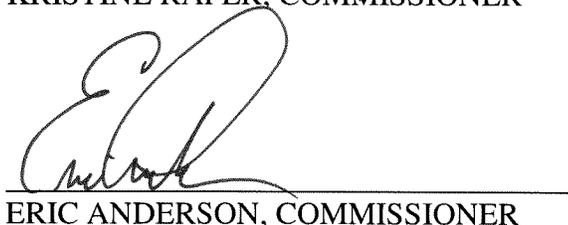
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 12th day of March 2020.



PAUL KJELLANDER, PRESIDENT



KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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