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IDAHO PUBLIC UTILITIES COMMISSION

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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

| | | |
|--------------------------------|---|-------------------------|
| IN THE MATTER OF IDAHO POWER |) | |
| COMPANY'S APPLICATION FOR |) | CASE NO. IPC-E-20-13 |
| APPROVAL OR REJECTION OF AN |) | |
| ENERGY SALES AGREEMENT WITH |) | COMMENTS OF IDAHO POWER |
| WHITE WATER POWER COMPANY INC |) | COMPANY |
| FOR THE SALE AND PURCHASE OF |) | |
| ELECTRIC ENERGY FROM THE WHITE |) | |
| WATER RANCH HYDRO PROJECT |) | |
| _____ |) | |

Idaho Power Company ("Idaho Power" or "Company"), in accordance with RP 201, *et seq.*, and the applicable provisions of the Public Utility Regulatory Policies Act of 1978 ("PURPA"), as well as the Idaho Public Utilities Commission's ("IPUC" or "Commission") Notice of Modified Procedure in this matter, Order No. 34641, hereby respectfully submits the following Comments.

Idaho Power appreciates Commission Staff's ("Staff") thoughtful comments regarding their recommendations regarding the ESA applicable to the White Water Ranch Hydro Project ("Project"). Staff recommends the Commission approve the Energy Sales

Agreement (“ESA”), but also recommends that when the Company determines the generator nameplate capacity for a motor used as a generator, the Company should identify the proper horsepower (“hp”) units on the motor and use 0.7457 hp per kW for converting from Imperial hp to kW and 0.7355 hp per kW for converting from metric hp to kW. Idaho Power agrees with Staff that when an electric motor is being used as a generator, and where the motor only specifies output capability in horsepower, then a conversion from hp to kW must be made. However, the Company has concerns about Staff’s recommendation that would require the Company to independently obtain technical manufacturing specifications that neither the Company or the Project may have access to, and to do such calculation/conversion in every instance.

A PURPA Qualifying Facility’s (“QF”) Nameplate Capacity is a standard requirement identified in PURPA ESAs. The Nameplate Capacity applies to several terms and provisions, including the amount of Security Deposit (if required), the Initial Capacity Determination to verify the QF will not exceed the threshold to be eligible for the avoided cost prices contained in the ESA, and in the calculation of Surplus Energy. Another important application of the Nameplate Capacity is that it is used as an input to the Commission’s Surrogate Avoided Resource (“SAR”) avoided cost methodology for calculating published avoided cost prices available to QFs.

As described in Article 4.1.5 Nameplate Capacity of the ESA submitted in this proceeding, the Project is required to:

Submit to Idaho Power manufacturer’s and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility. The sum of the individual Generation Unit capacity ratings shall be equal to Facility Nameplate Capacity.

Upon receipt of this data, Idaho Power shall review the provided data and determine if the Nameplate Capacity specified is reasonable based upon the manufacturer's specified generation ratings for the specific Generation Units.

Nameplate Capacity is traditionally and commonly identified by a physical name plate that is attached to a generation unit. Often, the nameplate rating is stamped with a measurement of kW output. Idaho Power believes that whenever the generator manufacturer nameplate is available it should be used as the source of Nameplate Capacity. However, the Company recognizes there are resources and project configurations that may require other relevant and applicable methods to determine Nameplate Capacity. For example, solar projects generate electricity using direct current, but alternating current ("AC") must be delivered to the utility. To do that, the electricity generated at the photovoltaic modules must pass through inverters and collectors, and the final AC nameplate is determined through engineering estimations and calculations. With regard to hydro projects, some QFs have been developed using motors as the source of generation. In these instances, there may be a need to determine nameplate capacity using engineering calculations or conversion of motor capability or hp to kW output.

Idaho Power appreciates Staff's interest in determining an accurate Nameplate Capacity as it is a direct input to the SAR methodology for determining avoided cost. This is especially important for QFs that have modified or installed new equipment that has resulted in an increase to the Nameplate Capacity. Under this circumstance, it may result in a need to weight the avoided cost prices applicable to an ESA to account for the incremental portion of increased Nameplate Capacity and the eligibility for capacity

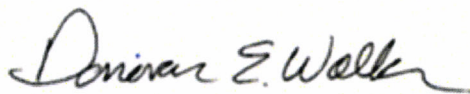
payment for the increased amount. See Case No. IPC-E-19-38. Idaho Power believes it has the flexibility and necessary provisions it needs to make reasonable assessments of Nameplate Capacity based on the terms and conditions contained in its ESAs with QFs. Staff comments in Case No. IPC-E-20-16, recognize that Idaho Power has included provisions in PURPA ESAs that would require a review of the ESA terms, conditions and pricing should any modifications be made to the Facility, including a change to Nameplate Capacity. Staff states, "...this provision in future agreements will prevent inaccurate rates and violations of Commission orders or Federal Energy Regulatory Commission rules due to changes to the facility."

Idaho Power understands that a reasonably accurate determination of Nameplate Capacity is important but requiring the Company to verify manufacturer specifications and separately calculate Nameplate Capacity is beyond what is necessary in each and every instance to determine Nameplate Capacity for hydro QFs. In this case, the Project consists of two generating units, a 75 hp unit and a 115 kW unit. The 75 horsepower generation unit converts to 55.93 kW assuming Imperial hp and 55.16 hp assuming Metric hp, or a difference of less than 1 kW.

Idaho Power believes it is important that the Company continue to base its determinations of Nameplate Capacity on relevant and applicable data available from the QFs., and manufacturers. In cases where a hp to kW conversion is required, Idaho Power will follow Staff's recommendation assuming the information is available. However, the Company does not believe that it should be required to independently calculate such conversion in every instance and needs to retain the ability to determine Nameplate Capacity in accordance with the terms and conditions in its ESAs with QFs, which in some

instances involves reliance on the manufacture's nameplate.

Respectfully submitted this 20th day of May, 2020.

A handwritten signature in black ink that reads "Donovan E. Walker". The signature is written in a cursive style with a large initial 'D'.

DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

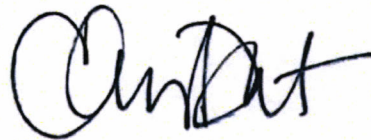
I HEREBY CERTIFY that on this 20th day of May, 2020, I served a true and correct copy of the within and foregoing COMMENTS upon the following named parties by the method indicated below, and addressed to the following:

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Christy Davenport, Legal Assistant