RECEIVED 2020 April 3,PM2:11 IDAHO PUBLIC UTILITIES COMMISSION

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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR APPROVAL OR REJECTION OF A FIRST AMENDMENT TO THE ENERGY SALES AGREEMENT WITH WILLIAM ARKOOSH FOR THE SALE AND PURCHASE OF ELECTRIC ENERGY FROM THE LITTLE WOOD RIVER RANCH II HYDRO PROJECT.

CASE NO. IPC-E-20-20

APPLICATION FOR APPROVAL OF FIRST AMENDMENT TO ENERGY SALES AGREEMENT

Idaho Power Company ("Idaho Power"), in accordance with RP 52 and the applicable provisions of the Public Utility Regulatory Policies Act of 1978 ("PURPA"), hereby respectfully applies to the Idaho Public Utilities Commission ("Commission") for an order accepting or rejecting the First Amendment ("Amendment") to the Energy Sales Agreement ("ESA") between Idaho Power and William Arkoosh ("Arkoosh" or "Seller") under which Arkoosh sells and Idaho Power purchases electric energy generated by the Little Wood River Ranch II Hydro Project (Facility") which is a PURPA Qualifying Facility. In support of this Application, Idaho Power represents as follows:

I. INTRODUCTION AND BACKGROUND

1. Idaho Power and the Seller (jointly, "Parties") entered into an ESA on April 23, 2014, for the purchase and sale of energy produced by the Facility. This ESA was approved by the Commission in Order No. 33103, Case No. IPC-E-14-06, on August 21, 2014.

2. Section 6.2.3 of the ESA provides the Seller with the option to adjust the monthly estimated Net Energy Amounts ("NEA") within a specified time period. After the execution and approval of the ESA, the Seller requested a change to the time period for making the NEA adjustments. The Seller would like to change the NEA adjustment time period in Section 6.2.3 so that they can make adjustments by the 25th day of the preceding month in which a change is requested, similar to other such 25th day of the month provisions previously approved by the Commission.

II. THE AMENDMENT

3. The Amendment provides for the deletion of Section 6.2.3, Seller's Adjustment of Estimated Net Energy Amounts After the Operation Date, and replaces it with a new Section 6.2.3 set forth in the Amendment as follows:

6.2.3 <u>Seller's Adjustment of Estimated Net Energy Amounts</u> <u>After the Operation Date</u> – After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the 25th day of the month that is prior to the month to be revised. If the 25th day of the month falls on a weekend or holiday, then written notice must be received on the last business day prior to the 25th day of the month. For 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 25th or the last business day prior to September 25th. a.) This revision must be submitted using the electronic portal provided by Idaho Power if available. If the portal is not available, then written notice must be provided to Idaho Power by electronic notice (electronic mail) as agreed to by both parties.

b.) If the Seller does not update the electronic portal or provide written notice of changes to the Estimated Net Energy Amounts, then it will be deemed to be an election of no change from the most recently provided monthly Estimated Net Energy Amounts. Idaho Power is unable to accept any requested changes to the Estimated Net Energy Amounts if the date and time that Idaho Power receives the requested change is after the deadline.

4. The Amendment to the ESA to modify the NEA adjustment period was executed by the Parties on April 3, 2020. The Amendment does not otherwise change any of the obligations of the Parties set forth in the ESA. A copy of the Amendment is attached to the Application as Attachment 1 and is subject to the Commissions approval.

III. PROCEDURE

5. Idaho Power believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure; i.e., by written submissions rather than by hearing. RP 201, *et seq.*

IV. COMMUNICATIONS AND SERVICE OF PLEADINGS

6. Communications and service of pleadings, exhibits, orders, and other documents relating to this proceeding should be sent to the following:

Donovan E. Walker Lead Counsel Idaho Power Company 1221 West Idaho Street (83702) P.O. Box 70 Boise, Idaho 83707 dwalker@idahopower.com dockets@idahopower.com Energy Contracts Idaho Power Company 1221 West Idaho Street (83702) P.O. Box 70 Boise, Idaho 83707 <u>energycontracts@idahopower.com</u>

V. REQUEST FOR RELIEF

7. Idaho Power respectfully requests that the Commission issue an order: (1) authorizing that this matter may be processed by Modified Procedure and (2) accepting or rejecting the Amendment between Idaho Power and the Seller.

Respectfully submitted this 3rd day of April 2020.

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DONOVAN E. WALKER Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 3rd day of April 2020 I served a true and correct copy of the within and foregoing APPLICATION FOR APPROVAL OF FIRST AMENDMENT TO ENERGY SALES AGREEMENT upon the following named parties by the method indicated below, and addressed to the following:

Little Wood River Ranch II

William Arkoosh 2005 Highway 25 Gooding, Idaho 83330 208-539-5443 Hand Delivered U.S. Mail Overnight Mail FAX X Email <u>tunupabill@icloud.com</u>

Christy Davenport, Legal Assistant

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-20-20

IDAHO POWER COMPANY

ATTACHMENT 1

FIRST AMENDMENT TO THE ENERGY SALES AGREEMENT BETWEEN IDAHO POWER COMPANY AND WILLIAM ARKOOSH

This First Amendment of the Energy Sales Agreement ("First Amendment") is entered into on this 2000 day of April 2020, by and between Idaho Power Company, an Idaho corporation ("Idaho Power"), and William Arkoosh, ("Seller") (individually a "Party" and collectively the "Parties").

WHEREAS, Idaho Power and the Seller entered into an Energy Sales Agreement ("ESA") on April 23, 2014 (the "Agreement") for the purchase and sale of generation produced by the Little Wood River Ranch II Hydro PURPA Qualifying Facility with a Maximum Capacity Amount of 1.25 MW that was approved by the Idaho Public Utilities Commission's ("IPUC") Order No. 33103; and

WHEREAS, on February 28, 2019, the IPUC issued Order No. 34263 approving the ESA between Idaho Power and J.R. Simplot Company that included a change to the notification of Net Energy Amount monthly adjustments. In Order No. 34263, the Commission stated that they would continue to evaluate the reasonableness of these provisions on a case-by-case basis. On September 17, 2019, the IPUC issued Order No. 34442 approving the First Amendment to the ESA for the Box Canyon hydro project similar to the First Amendment contained herein; and

WHEREAS, Seller and Idaho Power desire to amend Article 6.2.3 of the Agreement to include a change to the notification of Net Energy Amount monthly adjustments from one-month advanced notice to the 25th day of the month that is prior to the month to be revised. If the 25th day of the month falls on a weekend or holiday, then written notice must be received on the last business day prior to the 25th day of the month;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties hereto agree as follows:

1. **Incorporation of Recitals.** The above-stated recitals are incorporated into and made a part of this Agreement by this reference to the same extent as if these recitals were set forth in full at this point.

2. **Definitions.** Article 6.2.3 shall be deleted in its entirety and the following section shall be substituted in its stead:

6.2.3 <u>Seller's Adjustment of Estimated Net Energy Amounts After the Operation Date</u> - After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the 25th day of the month that is prior to the month to be revised. If the 25th day of the month falls on a weekend or holiday, then written notice must be received on the last business day prior to the 25th day of the month. For 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 25th or the last business day prior to September 25th.

- a.) This revision must be submitted using the electronic portal provided by Idaho Power if available. If portal is not available, then written notice must be provided to Idaho Power by electronic notice (electronic mail) as agreed by both parties.
- b.) If the Seller does not update the electronic portal or provide written notice of changes to the Estimated Net Energy Amounts, then it will be deemed to be an election of no change from the most recently provided monthly Estimated Net Energy Amounts. Idaho Power is unable to accept any requested changes to the Estimated Net Energy Amounts if the date and time that Idaho Power receives the requested change is after the deadline.

3. **Commission Approval.** The obligations of the Parties under this First Amendment are subject to the IPUC's approval of this First Amendment and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the IPUC and request approval or rejection in its entirety pursuant to RP 274.

4. Effect of Amendment. Except as expressly amended by this First Amendment, the Agreement shall remain in full force and effect.

5. **Capitalized Terms.** All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

6. **Scope of Amendment.** This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent thereof.

7. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has the requisite authority to execute this First Amendment.

8. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be duly executed as of the date above written

WILLIAM ARKOOSH By: William arburch Name: William ArkKoosh Title: Many ing Men Date: 2 ~ 2 6 2020

IDAHO POWER COMPANY
By: The ham
Name: Ton J Harvey
Title: VP - Power Supply
Date: 4/3/20

Energy Sales Agreement Project: 31515110 Little Wood River Ranch II First Amendment - Page 3 of 3