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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	
COMPANY'S APPLICATION FOR APPROVAL)	CASE NO. IPC-E-20-20
OF A FIRST AMENDMENT TO THE ENERGY)	
SALES AGREEMENT WITH WILLIAM)	
ARKOOSH FOR THE SALE AND PURCHASE)	COMMENTS OF THE
OF ELECTRIC ENERGY FROM THE LITTLE)	COMMISSION STAFF
<u>WOOD RIVER RANCH II HYDRO PROJECT</u>)	

The Staff of the Idaho Public Utilities Commission comments as follows on Idaho Power Company's Application.

BACKGROUND

On April 3, 2020, Idaho Power Company ("Idaho Power") filed an Application seeking approval of the first amendment ("Amendment") to its Energy Sales Agreement ("ESA") with William Arkoosh ("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 Little Wood River Ranch II Hydro Project—a PURPA qualifying facility. The Amendment addresses when the Seller must notify the Company in order to revise future monthly Estimated Net Energy Amounts.

The Commission approved Idaho Power's ESA with the Seller in 2014. Order No. 33103. Idaho Power asks the Commission to approve the Amendment to the ESA, which the parties agreed to on April 3, 2020.

The Amendment changes when the Seller must notify Idaho Power in order to revise future monthly Estimated Net Energy Amounts. Currently, Section 6.2.3 of the ESA requires the Seller to notify Idaho Power at least one month before the Seller revises a given 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 25th day of the month that is prior to the month to be revised." Application, Attachment 1. If the 25th day falls on a weekend or holiday, Idaho Power must receive written notice by the last business day prior to the 25th day of the month.

STAFF ANALYSIS


Staff recommends approval of the proposed Amended Energy Sales Agreement between Idaho Power and the Seller. Section 6.2.3 of the existing ESA will be replaced to allow the Seller to adjust Estimated Net Energy Amounts, which are provided to Idaho Power to comply with 90/110 firmness requirements, with a five-day advanced notice instead of a one-month advanced notification in the currently approved ESA.

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 the Company 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. With an Operation Date that occurred October 9, 2015, Staff believes a five-day notice for generation estimate adjustments is sufficient because the Company has an established generation history for the Little Wood River Ranch II Hydro Project.

STAFF RECOMMENDATIONS

Staff recommends the Commission approve the Amendment to the Energy Sales Agreement for the Little Wood River Ranch II Hydro Project, with all other terms and conditions to remain unchanged.

Respectfully submitted this 14th day of May 2020.


Matt Hunter
Deputy Attorney General

Technical Staff: Rachelle Farnsworth
Yao Yin

i:umisc/comments/ipce20.20mhyyrf comments

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 14th DAY OF MAY 2020, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. IPC-E-20-20, BY E-MAILING A COPY THEREOF, TO THE FOLLOWING:

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SECRETARY