

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: JOHN R. HAMMOND JR.
DEPUTY ATTORNEY GENERAL**

DATE: APRIL 22, 2021

**SUBJECT: IN THE MATTER OF IDAHO POWER COMPANY’S APPLICATION FOR
APPROVAL OR REJECTION OF AN ENERGY SALES AGREEMENT
BETWEEN IDAHO POWER COMPANY AND HYDROLAND OMEGA
LLC; CASE NO. IPC-E-21-08**

On April 5, 2021, Idaho Power Company (“Company”), requested the Idaho Public Utilities Commission (“Commission”) to approve or reject an energy sales agreement (“ESA”) with Hydroland Omega LLC (“Seller”) for the energy generated by the Elk Creek Hydro Project (“Facility”). The Facility has a nameplate capacity of 2350 kilowatts and is located near New Meadows, Idaho.

THE APPLICATION

The Seller has been delivering energy to the Company under a firm energy sales agreement for the Facility that was executed on August 31, 1984 and which expires on April 30, 2021. The new ESA has a 20-year term with non-levelized, non-seasonal hydro published avoided cost rates as set by Order No. 34683. The Company requests the Commission approve the ESA and declare all payments or purchase of energy under the ESA be allowed as prudently incurred expenses for ratemaking purposes. The Company requests that the Commission set a procedural schedule that would result in a final Commission determination on the ESA prior to April 30, 2021, the date when the firm energy sales agreement expires.


STAFF RECOMMENDATION

The Commission Staff (“Staff”) is sending production requests to the Company and anticipates there may be a need to send a second set of production requests to the Company. Further, Staff needs some time to review the Company’s responses to Staff’s production requests.

As a result, Staff does not believe that this case can be processed to completion by April 30, 2021. Staff recommends the Commission issue a Notice of Application and Notice of Modified Procedure, setting a June 2, 2021 comment deadline for Staff and any interested parties and a June 9, 2021 reply comment deadline for the Company.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure, setting a June 2, 2021 comment deadline for Staff and any interested parties and a June 9, 2021 reply comment deadline for the Company?



John R. Hammond Jr
Deputy Attorney General

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