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IDAHO PUBLIC UTILITIES COMMISSION

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER
COMPANY’S APPLICATION FOR
APPROVAL OF THE CAPACITY
DEFICIENCY TO BE UTILIZED FOR
AVOIDED COST CALCULATIONS

) Case No. IPC-E-21-09
)
) **IDAHYDRO’S COMMENTS**
)
)

COMES NOW the Idaho Hydroelectric Power Producers Trust, an Idaho Trust, d/b/a IdaHydro (“IdaHydro”), by and through its counsel of record, C. Tom Arkoosh of Arkoosh Law Offices, and hereby submits the following comments pursuant to *Order No. 35346*:

Idaho Power Company (“Idaho Power”) made its first *Application* in this matter on April 9, 2021, following the acceptance of its *Second Amended 2019 Integrated Resource Plan*, arguing for a capacity deficiency date of 2028 for payment of avoided cost to PURPA projects. This filing came to the Commission as a consequence of *Order 32697*, page 23, providing direction for determination of the capacity deficiency date for PURPA projects:

In an effort to address the concerns of QF developers who maintain that a utility could manipulate variables within the IRP planning process in a way that would negatively impact the pricing of capacity paid to a QF, we find it reasonable and fair to subject each utility’s determination of capacity deficiency to further scrutiny. Therefore, when a utility submits its Integrated Resource Plan to the Commission, a case shall be initiated to determine the capacity deficiency to be utilized in the SAR Methodology. The capacity deficiency determined through the IRP planning process will be the starting point, and will be presumed to be correct subject to the outcome of the proceeding.

Order No. 32697, p. 23.

A year has passed since the filing of the *Application* without determination of a capacity deficiency date. Intervening in that year are Idaho Power's acknowledgement that it is, in fact, capacity deficient by July 2023, or before, and the completion of the 2021 Integrated Resource Plan. Idaho Power's ongoing resource acquisitions could well be supplied by PURPA projects if Idaho Power had immediately notified the Commission upon learning it required further resources by 2023.

Regarding Idaho Power's dysfunction in this matter, although Idaho Power now posits in IPC-E-21-41 that the necessity of immediately obtaining more capacity presses so acutely that it should be excused from the Commission's mandated competitive procurement requirements, it was not until the current *Amended Application*, filed February 4, 2022, that Idaho Power acknowledged it was capacity deficient for PURPA purposes following incongruous denials up to that point.

The Commission is respectfully requested not to countenance this delay by making two determinations. First, the Commission is requested to timely and straight away determine the capacity deficiency date for PURPA purposes. Secondly, the Commission is requested to displace any capacity deficiency experienced by Idaho Power with PURPA-project-provided capacity in lieu of utility-provided capacity until new capacity provided by Idaho Power is sanctioned by the required procurement processes previously ordered by the Commission.

IdaHydro makes this first request based upon the *Amended Application*, which provides:

However, regardless of the Commission's position and determination as to the timing of future filings, Idaho Power believes good cause exists in this particular instance to grant Idaho Power's Motion for leave to amended its Application, and respectfully requests that the first capacity deficit of July 2023 be utilized for both SAR and IRP PURPA avoided cost methodologies.

IdaHydro makes the second request based upon the language of *Order No. 32697*, which forbids the “manipulation of variables,” as has occurred here, to delay the availability of capacity payments as a component of avoided cost payments to PURPA projects. The entire purpose of filing a capacity deficiency docket separate from the Integrated Resource Plan was to prevent the very type of procrastination and delay infusing the current process. Bestowing Idaho Power the benefit of occupying the capacity queue with investor-owned assets as a consequence of its delay in acknowledging capacity deficiency for PURPA purposes violates not only the intent but the letter of *Order No. 32697*. Idaho's Energy Plan supports the requests in these comments by preferring conservation and renewable energy. Further, HCR9 from the 2019 legislature labeled hydropower as the "state's greatest renewable resource."

DATED this 28th day of March 2022.

ARKOOSH LAW OFFICES



C. Tom Arkoosh
Attorney for IdaHydro

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 28th day of March 2022, I served a true and correct copy of the foregoing document(s) upon the following person(s), in the manner indicated:

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