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December 15, 2021

VIA ELECTRONIC MAIL

Jan Noriyuki, Secretary
Idaho Public Utilities Commission
11331 West Chinden Blvd., Building 8
Suite 201-A
Boise, Idaho 83714

Re: Case No. IPC-E-21-26
Trout-Co Hydro Project
Idaho Power Company's Application re the Energy Sales Agreement

Dear Ms. Noriyuki:

Attached for electronic filing is Idaho Power Company's Motion to Approve the First Amendment to the Energy Sales Agreement in Compliance with Order No. 35239 in the above entitled matter. If you have any questions about the attached documents, please do not hesitate to contact me.

Very truly yours,

Donovan E. Walker

DEW:cld
Enclosures

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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-21-26
APPROVAL OR REJECTION OF AN)	
ENERGY SALES AGREEMENT WITH)	MOTION TO APPROVE THE
MICHAEL BRANCHFLOWER, FOR THE)	FIRST AMENDMENT TO THE
SALE AND PURCHASE OF ELECTRIC)	ENERGY SALES AGREEMENT
ENERGY FROM THE TROUT-CO HYDRO)	IN COMPLIANCE WITH ORDER
PROJECT.)	NO. 35239.
)	
)	

Idaho Power Company ("Idaho Power"), in accordance with RP 56 and the applicable provisions of the Public Utility Regulatory Policies Act of 1978 ("PURPA"), hereby respectfully moves 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 Michael Branchflower ("Seller") under which Idaho Power purchases electric energy generated by the Trout-Co Hydro project ("Facility") located near the city of Hagerman, Idaho. This First Amendment is submitted in compliance with Commission Order No. 35239, which approved the submitted Replacement ESA in this case, but directed that Seller be paid for capacity up to 240 kW,

and the incremental 40 kW increase in nameplate capacity not be eligible for capacity payments until Idaho Power becomes capacity deficient, which is 2026.

Idaho Power and Seller have executed the submitted First Amendment in order to provide the required changes to the approved ESA necessary to provide for payment of a different rate (no capacity) for any hourly delivery of generation in excess of 240 kW.

In support of this Motion, Idaho Power represents as follows:

I. INTRODUCTION AND BACKGROUND

1. Idaho Power and the Seller (jointly, "Parties") entered into an ESA on August 12, 2021, for the purchase and sale of energy produced by the Facility. The ESA is for the purchase of generation from the 280 kW nameplate capacity Trout-Co Hydro facility. The ESA is a replacement ESA to a January 7, 1985, ESA for the facility that ran its full term on November 30, 2021. This Replacement ESA was approved by the Commission in this case by Order No. 35239, on November 30, 2021.

2. In Order No. 35239 the Commission approved the Replacement ESA with the following modifications:

1. The Replacement ESA will use two sets of avoided cost rates between the Company and the Seller from 2021 through 2025: any hourly generation equal to or less than 240 kWhs will receive immediate capacity payment, and any hourly generation above 240 kWhs will not receive capacity payment until the Company becomes capacity deficient in 2026.

2. The 90/110 Rule will be implemented based on two sets of avoided cost rates from 2021 through 2025 until the Facility becomes eligible for capacity payments.

Order No. 35239, p 6. The Commission also directed implementation of the 90/110 with a contract price that is blended using the same method established in Case No. IPC-E-19-38. *Id.*, at p 5.

II. THE AMENDMENT

3. Subsequent to Commission Order No. 34677, Idaho Power and Seller executed the First Amendment to comply with, and implement, the Commission's directed modifications to the ESA to provide for the payment of capacity up to 240 kW, and a separate rate, without capacity, for any generation over 240 kW through the first capacity deficit date in 2026. The Amendment provides the additional and proper rate tables as Appendix G, as well as the additional required language adjustments to Articles 1.8, 7.4, 7.5, 7.6, and Appendices E and G, as set forth in the First Amendment to the Energy Sales Agreement Between Idaho Power Company and Seller. Implementation of the 90/110 provision does not require amended language as described in Case No. IPC-E-19-38. The Amendment to the ESA was executed by Seller on December 2, 2021, and by Idaho Power on December 6, 2021. 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 Commission's approval.

III. PROCEDURE

4. Idaho Power believes that the First Amendment can be considered and approved or rejected by the Commission without further procedure as a compliance filing with the requirements of Final Order No. 35239. Alternatively, should the Commission desire further process and procedure, the Company believes that a hearing is not necessary to consider the issues presented herein and that this compliance filing be processed under Modified Procedure, i.e., by written submissions rather than by hearing. RP 201, *et seq.*

IV. COMMUNICATIONS AND SERVICE OF PLEADINGS

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

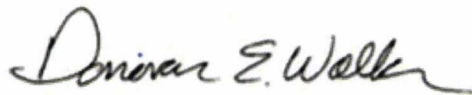
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V. REQUEST FOR RELIEF

6. Idaho Power respectfully requests that the Commission issue an order accepting or rejecting the First Amendment between Idaho Power and the Seller in compliance with Order No. 35239.

Respectfully submitted this 15th day of December 2021.



DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 15th day of December 2020 I served a true and correct copy of the within and foregoing Motion upon the following named parties by the method indicated below, and addressed to the following:

Michael Branchflower
Trout-Co Hydro Project
1991 S. Doe Creek Way
Boise, ID 83709

via email to:
MGBbranchflower@hotmail.com

John Hammond Jr.
Deputy Attorney General
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

via email to:
john.hammond@puc.idaho.gov



Christy Davenport, Legal Assistant

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-21-26

IDAHO POWER COMPANY

ATTACHMENT 1

**FIRST AMENDMENT
TO THE
ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
MICHAEL BRANCHFLOWER**

This First Amendment of the Energy Sales Agreement ("First Amendment") is entered into on this 6th day of December 2021, by and between Idaho Power Company, an Idaho corporation ("Idaho Power"), and Michael Branchflower, an individual ("Seller") (individually a "Party" and collectively the "Parties").

WHEREAS, Idaho Power and the Seller hold an Energy Sales Agreement ("ESA") dated August 12, 2021, for the purchase and sale of generation produced by the Trout-Co Hydro PURPA Qualifying Facility ("Facility"). The ESA contains Idaho Public Utilities Commission ("Commission") published avoided cost prices for a replacement ESA; and

WHEREAS, Appendix B of the ESA identifies that the Facility has increased the Nameplate Capacity to 280 kilowatts ("kW"), an increase of 40 kW from the Nameplate Capacity previously approved by the Commission in the Party's original firm energy sales agreement that expired November 30, 2021; and

WHEREAS, on November 30, 2021, the Commission approved the ESA in Order No. 35293, which states, "The Commission further finds that the Facility's eligibility for capacity payments in the Replacement ESA be based on the nameplate in the original contract. The additional incremental nameplate capacity (40 kW) will not receive capacity payments until the first deficit dated identified at the time of this contract renewal (2026). See Order No. 34956."; and

WHEREAS, Seller and Idaho Power desire to amend the ESA to include the appropriate published avoided cost appendices for pricing generation delivered by the Facility to Idaho Power applicable to the 40 kW increase in Nameplate Capacity.

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 ESA by this reference to the same extent as if these recitals were set forth in full at this point.

2. **Article I.** The following section of Article I shall be modified as written below:

1.8 **"Delay Price"** – The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in Appendix E and GH of this Agreement. If this calculation results in a value less than zero (0), the result of this calculation will be zero (0).

3. **Article VII.** Sections 7.4, 7.5 and 7.6 of Article VII of the ESA shall be deleted in their entirety and replaced with the following sections as written below:

7.4 Base Energy Heavy Load Purchase Price – For all Base Energy received up to 240 kW during Heavy Load Hours, Idaho Power shall pay the monthly non-levelized Base Energy Heavy Load Purchase Price as specified in Appendix E. For all Base Energy received between 241 kW and 280 kW during Heavy Load Hours for calendar years 2021-2025, Idaho Power shall pay the monthly non-levelized Base Energy Heavy Load Purchase Price as specified in Appendix G. For all Base Energy received between 241 kW and 280 kW during Heavy Load Hours for calendar years 2026 through the remaining term of the ESA, Idaho Power shall pay the monthly non-levelized Base Energy Heavy Load Purchase Price as specified in Appendix E.

7.5 Base Energy Light Load Purchase Price – For all Base Energy received up to 240 kW during Light Load Hours, Idaho Power shall pay the monthly non-levelized Base Energy Light Load Purchase Price as specified in Appendix E. For all Base Energy received between 241 kW and 280 kW during Light Load Hours for calendar years 2021-2025, Idaho Power shall pay the monthly non-levelized Base Energy Light Load Purchase Price as specified in Appendix G. For all Base Energy received between 241 kW and 280 kW during Light Load Hours for calendar years 2026 through the remaining term of the ESA, Idaho Power shall pay the monthly non-levelized Base Energy Light Load Purchase Price as specified in Appendix E.

7.6 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Price shall be the monthly non-levelized All Hours Energy Price in Appendix E for generation received up to 240 kW, and the All Hours Energy Price in Appendix G for generation received between 241 and 280 kW for calendar years 2021-2025. For calendar years 2026 through the remaining term of the ESA, the price to be used in the calculation of the Surplus Energy Price and Delay Price shall be the monthly non-levelized All Hours Energy Price in Appendix E.

4. **Appendix E and G.** Appendix E of the ESA shall be modified as written below and the ESA shall include a new Appendix G.

APPENDIX E

NON-SEASONAL HYDRO FACILITY ENERGY PRICES

(Prices based on the Maximum Capacity Amount of 280 240 kW (Years 2021-2025) and 280 kW (Years 2026-remaining Term), Non-Fueled Rates)

APPENDIX G

NON-SEASONAL HYDRO FACILITY ENERGY PRICES

WITHOUT CAPACITY, YEARS 2021 THROUGH 2025

(Prices based on the Maximum Capacity Amount of 280 kW, Non-Fueled Rates)

- G-1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order No. 35052 effective June 1, 2021, and seasonalization factors applied:

Year	Season 1 - (73.50 %) Mills/kWh	Season 2 - (120.00 %) Mills/kWh	Season 3 - (100.00 %) Mills/kWh
2021	22.91	37.40	31.17
2022	23.47	38.32	31.93
2023	22.78	37.20	31.00
2024	21.74	35.49	29.57
2025	22.99	37.53	31.28

- G-2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order No. 35052 effective June 1, 2021, and seasonalization factors applied:

Year	Season 1 - (73.50 %) Mills/kWh	Season 2 - (120.00 %) Mills/kWh	Season 3 - (100.00 %) Mills/kWh
2021	17.56	28.66	23.89
2022	18.12	29.59	24.65
2023	17.43	28.46	23.72
2024	16.39	26.75	22.29
2025	17.64	28.80	24.00

- G-3 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the non-levelized energy price in accordance with Commission Order 35052 effective June 1, 2021, and seasonalization factors applied:

Year	Season 1 - (73.50 %) Mills/kWh	Season 2 - (120.00 %) Mills/kWh	Season 3 - (100.00 %) Mills/kWh
2021	20.53	33.51	27.93
2022	21.09	34.43	28.69
2023	20.40	33.31	27.76
2024	19.35	31.60	26.33
2025	20.61	33.65	28.04

5. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission'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.

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

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

8. 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.

9. 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 ESA, and (iii) it has the requisite authority to execute this First Amendment.

10. 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.

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

MICHAEL BRANCHFLOWER

By: 

Name: Michael Branchflower

Title: OWD

Date: 2 Dec 2021

IDAHO POWER COMPANY

By: 

Name: Ron N. Anderson

Title: VP. Supv

Date: 12/6/21