

## **DECISION MEMORANDUM**

**TO: COMMISSIONER ANDERSON  
COMMISSIONER CHATBURN  
COMMISSIONER HAMMOND  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL**

**FROM: RILEY NEWTON  
DEPUTY ATTORNEY GENERAL**

**DATE: APRIL 28, 2022**

**RE: IN THE MATTER OF IDAHO POWER COMPANY'S ANNUAL  
COMPLIANCE FILING TO UPDATE THE LOAD AND GAS FORECASTS  
IN THE INCREMENTAL COST INTEGRATED RESOURCE PLAN  
AVOIDED COST MODEL; CASE NO. IPC-E-21-35.**

On March 10, 2022, the Commission issued Order No. 35344 requiring Idaho Power Company (“Idaho Power”) to update the natural gas forecast and “(1) use NYMEX forwards prices as of October 15, 2021, for years 2022, 2023, and 2024 of the 20-year forecast; (2) use an average of year 2025 NYMEX forwards prices and year 2025 of the July 2021 vintage Platts forecast for year 2025 of its forecast; (3) use the July 2021 vintage Platts forecast for the remaining years of the forecast (years 2026-2014); and (4) submit the updated 20-year forecast as a compliance filing.”

On April 1, 2022, Idaho Power submitted a compliance filing for the forecast stating its assumption that “(years 2026 -2014)” was a typographical error that should have stated a range of “(years 2026-2040).”

On April 4, 2022, the Commission issued Errata to Order No. 35344 clarifying that the range of the forecast should have been: “(years 2026-2041).”

On April 8, 2022, Idaho Power submitted a replacement compliance filing to replace the compliance filing submitted on April 1, 2022. The natural gas forecast contained in the replacement compliance filing used the method required in Order No. 35344 for years 2022 through 2040. Because the July 2021 vintage Platts forecast only provides values through 2040, Idaho Power used linear regression over the last five years of the Platts forecast (years 2036 through 2040) to produce a forecast value for the year 2041.

### **STAFF ANALYSIS**

Staff believes the natural gas forecast for years 2022 through 2041 submitted by Idaho Power in its replacement compliance filing complies with Order No. 35344 and is comparable to Avista Utilities' natural gas forecast in Case No. AVU-E-21-14 and Rocky Mountain Power Company's natural gas forecast in Case No. PAC-E-21-20. Staff further believes it reasonable to obtain the required 20-year forecast by extending the Platts July 2021 vintage forecast one year using linear regression applied to the last five years of the Platts forecast.

### **STAFF RECOMMENDATION**

Staff recommends that the Commission approve Idaho Power's replacement compliance filing as filed on April 8, 2022.

### **COMMISSION DECISION**

Does the Commission wish to approve Idaho Power's replacement compliance filing as filed on April 8, 2022?



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Riley Newton  
Deputy Attorney General