

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. IPC-E-22-21
OF IDAHO POWER COMPANY FOR)
APPROVAL OF A SECOND AMENDMENT) ORDER NO. 35473
TO THE ENERGY SALES AGREEMENT)
WITH ORCHARD RANCH, LLC FOR THE)
SALE AND PURCHASE OF ELECTRIC)
ENERGY)
)

On June 14, 2022, Idaho Power Company (“Company”) applied to the Commission requesting approval of a Second Amendment to its Energy Sales Agreement (“ESA”) with Orchard Ranch Solar, LLC (“Seller”), which sells energy generated by the Seller’s 20-megawatt solar photovoltaic project (“Facility”) located in Ada County, Idaho. The Company represented that the Facility is a qualifying facility under the Public Utility Regulatory Policies Act of 1978 (“PURPA”).

On June 23, 2022, the Commission issued a Notice of Application and Notice of Modified Procedure. Order No. 35444. Staff filed the only comments to which the Company did not file a substantive reply.

The Commission now issues this Order approving the requested modification to the ESA.

BACKGROUND

The Commission approved the Company’s original ESA with the Seller on December 29, 2014, for the purchase and sale of energy from the Facility. Order No. 332022. On January 13, 2017, the Commission approved the First Amendment to the original ESA which deleted Section 3.3 and corrected certain language in Section 7.4 of the original ESA. Order No. 33695.

PROPOSED SECOND AMENDMENT

The Second Amendment seeks to replace Section 6.2.2. The Company represented that the new Section 6.2.2 modifies the Net Energy Amount (“NEA”) adjustment period but does not otherwise change any obligations of the parties set forth in the ESA.

The Company represented that the existing Section 6.2.2 of the ESA provides the Seller the option to adjust the monthly estimated NEA no later than 5 pm on the last business day of the notification month. The Company stated that the Second Amendment would change the NEA adjustment period in Section 6.2.2 so that the Seller may make adjustments by the 25th day of the

preceding month in which a change is requested but does not change any other obligations set forth in the ESA.

STAFF COMMENTS

Staff reviewed the Application and recommended approval of the five-day advanced notice proposed in the Company's Application. Staff believed that monthly estimates provided closer to the time of delivery can improve the accuracy of input used for short-term operational planning. In addition, the five-day advanced notice has been authorized in numerous prior Commission orders. Staff recommended that the Commission approve the Second Amendment to the ESA as filed.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-502 and 61-503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and 61-503. The Commission also has authority under PURPA and FERC regulations to set avoided cost rates, to order electric utilities to enter fixed-term obligations for the purchase of energy from QFs, and to implement FERC rules. The Commission may enter any final order consistent with its authority under Title 61 and PURPA.

The Commission has reviewed the record, including the Application, the Second Amendment to the ESA, and Staff's comments. In previous cases the Commission has approved a five-day advanced notification to adjustment monthly estimated NEA, recognizing that adjustment made closer to the time of delivery can improve the accuracy of input used by the Company for short-term operational planning.¹ Based on our review, we find it fair, just, and reasonable to approve the Company's Second Amendment to the ESA modifying the advance notice required for adjusting the monthly estimated NEA.

ORDER

IT IS HEREBY ORDERED that the Company's Application is approved; Section 6.2.2 of the ESA is amended as set forth in Attachment 1 to the Application.

¹ See, e.g., Case Nos. IPC-E-21-23, IPC-E-20-20, IPC-E-19-12, IPC-E-19-07, IPC-E-19-04, IPC-E-19-03, and IPC-E-19-01.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this order about any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.

DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 28th day of July 2022.



ERIC ANDERSON, PRESIDENT

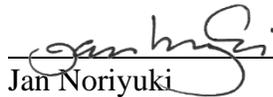


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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