

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	CASE NO. IPC-E-22-23
COMPANY’S APPLICATION FOR)	
APPROVAL OF A SECOND AMENDMENT)	ORDER NO. 35622
TO THE ENERGY SALES AGREEMENT)	
WITH CASSIA WIND FARM, LLC)	
)	

On September 12, 2022, Idaho Power Company (“Company” or “Idaho Power”) and Cassia Wind Farm, LLC (“Seller”) (collectively, the “Parties”), applied requesting approval of the Second Amendment (“Second Amendment”) to their Energy Sales Agreement (“ESA”) under which the Seller sells the Company “electric energy generated by Seller’s wind [powered] generating facility” (“Facility”) located near Hagerman, Idaho. Application at 1. The Facility is a qualifying facility (“QF”) under the Public Utility Regulatory Policies Act of 1978.

On October 7, 2022, the Commission issued a Notice of Application and Modified Procedure, setting public comment and Party reply deadlines. Commission Staff (“Staff”) filed comments, and the Company filed a Notice of No Comments. No other comments were received.

Having reviewed the record, we now approve the Second Amendment as discussed below.

BACKGROUND

On June 30, 2006, the Commission approved the Parties’ ESA. Order No. 30086. Under the ESA, the Seller provided electricity to the Company via “5 Suzlon, model S88 Wind turbines with individual generator ratings of 2.1 [megawatts (“MW”)] for each unit, for a total Facility generator rating of 10.5 MW.” Application at 2. On June 11, 2013, the pricing schedule of the original ESA was modified because the Seller’s actual operation date was 27 months after its previously estimated operation date. Order No. 32850.

PROPOSED SECOND AMENDMENT

The Company represented that one of the Facility’s five turbines (“Tower 5”) became inoperable due to a fire. The Company stated that the Seller was unable to find a comparable model, or replacement turbine, for Tower 5. Because Tower 5 will not be replaced, the new maximum total Facility generator rating is 8.4 MW with only four operable Suzlon model S88 units instead of five. The Company sought to amend and update the ESA accordingly.

STAFF COMMENTS

Staff recommended approval of the Second Amendment “because (1) it reflects the actual nameplate capacity of the Facility; and (2) the update does not affect pricing.” Staff Comments at 2.

1. Nameplate Capacity

Staff believed that the Second Amendment necessarily updates the Facility’s actual nameplate capacity of 8.4 MW to properly reflect the loss of Tower 5. Staff believed that the Seller’s prompt notice to the Company, and the subsequent collaboration between the Parties, “minimized impacts of the loss of Tower 5 on the Company’s planning process.” *Id.* at 2-3. While Staff agreed with the Company that the ESA doesn’t “contain any obligations tied to the total nameplate capacity,” Staff believed that updating the nameplate capacity information, rather than postponing that update for three years, is good practice and appreciates the Parties doing so proactively. *Id.*

2. Pricing and Compensation for Avoided Cost

Staff believed this Second Amendment would continue to fairly compensate the Seller because, despite the reduction in output, the Seller will still receive the avoided cost rates enumerated in the ESA based upon a dollar per kilowatt-hour basis.

COMMISSION FINDINGS AND DISCUSSION

The Commission has jurisdiction over this matter under Title 61 of the Idaho Code. 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, 61-503. The Commission also has authority under PURPA and Federal Energy Regulatory Commission (“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, proposed Second Amendment, and Staff’s comments. The Commission agrees with the Company’s and Staff’s recommendation to approve the Second Amendment of the ESA as filed. This is due to the reality that the proposed Second Amendment “reflects the actual nameplate capacity of the Facility and... does not affect pricing” as the price is structured upon a dollar per kilowatt-hour basis. Staff

Comments at 2. We appreciate the Parties being proactive and updating their ESA to correct the nameplate capacity.

ORDER

IT IS HEREBY ORDERED that the Second Amendment to the ESA is approved as filed.

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. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 13th day of December 2022.



ERIC ANDERSON, PRESIDENT

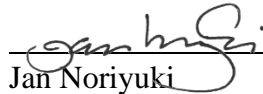


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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