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IDAHO PUBLIC
UTILITIES COMMISSION

February 27, 2024

VIA ELECTRONIC FILING

Monica Barrios-Sanchez, Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd., Bldg 8,
Suite 201-A (83714)
PO Box 83720
Boise, Idaho 83720-0074

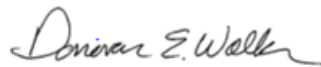
Re: Case No. IPC-E-24-08
Idaho Power Company's Petition to Modify a Compliance
Requirement Related to Updating Schedule 87

Dear Ms. Barrios-Sanchez:

Attached for electronic filing is Idaho Power Company's Petition 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 Walker

DEW:sg
Enclosure

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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S PETITION TO MODIFY A) CASE NO. IPC-E-24-08
COMPLIANCE REQUIREMENT RELATED) PETITION
TO UPDATING SCHEDULE 87.)
_____))

COMES NOW, Idaho Power Company ("Idaho Power" or "Company") in accordance with Rule of Procedure 053, and hereby petitions the Idaho Public Utilities Commission ("Commission") to modify a compliance requirement in the Commission's Order No. 36048 issued on December 29, 2023, in Case No. IPC-E-23-14 associated with updating the Company's Schedule 87, Intermittent Generation Integration Charges ("Schedule 87").

Idaho Power's petition is strictly limited to the Commission's directive with respect to updating the Company's integration charges listed on Schedule 87 and does not involve or impact any other aspect of the Commission's order. Specifically, Idaho Power

respectfully asks the Commission to modify the requirement that Idaho Power update Schedule 87 based on the Company's 2020 Variable Energy Resource Integration Study ("2020 VER Study"). Idaho Power has already commenced its next integration study – consistent with the Commission's directive to complete an updated integration study as soon as possible – and plans to complete the new study before the end of 2024. Once completed, Idaho Power proposes to file the updated study for Commission approval and update Schedule 87 based on the results of the forthcoming study.

I. CAUSE FOR MODIFICATION

In Order No. 36048, at page 7 and 16, the Commission directed the Company as follows:

The Company is authorized to use the integration rates from the 2020 Variable Energy Resource ("VER") study as proposed and shall file an update to Schedule 87 rates and integration costs from the 2020 VER study for Commission approval.

Idaho Power files this petition to modify the specific compliance requirement stated above and seeks permission to update integration charges based on the new integration study it was ordered to complete and to bypass the update based on the 2020 VER Study. The Company seeks relief from the Commission on this issue for three reasons: 1) administrative and regulatory efficiency, 2) prioritization of rate stability, and 3) integration rates resulting from the next study may be derived from a new methodology.

First, with respect to efficiency, updating Schedule 87 based on the 2020 VER Study would not be without process. The time to process this update could take several months, at which point the Company would likely be ready to file its next integration study with the Commission and again update Schedule 87 based on the new study. The

Company does not believe it would be an efficient use of the Company, Staff, stakeholders, or the Commission's time to undertake such a review twice in a calendar year.

Second, regarding rate stability, the forthcoming integration study will produce different integration costs from those based on the 2020 VER Study. At this stage, Idaho Power does not know the magnitude or direction of integration cost movement for solar or wind resources but knows with certainty that two studies will result in different integration charges. Swings in integration charges based on two updates to Schedule 87 in the same year could create confusion among stakeholders, developers, and the general public who may consider published integration charges in their individual planning and decision making.

Finally, Schedule 87 establishes integration charges by technology (solar and wind) in 100 megawatt ("MW") tranches, with the current published rates maxing out at 1,200 MW of wind and 1,600 MW of solar. The Company's various resource procurement filings, supported by its 2023 Integrated Resource Plan, show that the Company will hit or exceed these limits in the near term. As such, part of the Company's effort in the new integration study will be determining a more appropriate pricing methodology that may move away from the 100-MW tranche structure and be more responsive to the Company's capacity position. It is worth noting that, as of the date of filing this petition, Idaho Power has no pending new wind or solar Public Utility Regulatory Policies Act ("PURPA") contracts, meaning there would be no negative impact on PURPA developers of updating Schedule 87 later this calendar year.

The new study and the associated new methodology will be developed collaboratively and involve a Technical Review Committee (“TRC”) that will include representatives from Commission Staff and other interested stakeholders. These parties, through the TRC and the filing of the new study with the Commission, will have the opportunity to weigh in on updates to Schedule 87—a level of review that will not be possible if the Company updates Schedule 87 based on the 2020 VER Study, as that work concluded nearly four years ago.

Considering the need for a new methodology for developing Schedule 87 rates and the forthcoming integration study process, Idaho Power considers it the most efficient and the most equitable path to not update Schedule 87 based on the 2020 VER Study but, instead, move directly to updating integration costs based on the forthcoming VER study.

This new study process is already underway, with a TRC anticipated to be assembled by May 2024. Idaho Power anticipates that the new study, including an update to Schedule 87, will be available to file with the Commission before December 31, 2024.

II. COMMUNICATIONS AND SERVICE OF PLEADINGS

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

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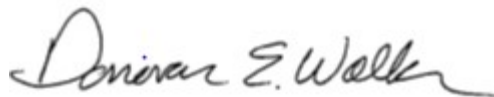
III. MODIFIED PROCEDURE

Idaho Power believes that consideration of this petition does not require an evidentiary proceeding and accordingly the Company requests that this Petition be processed under RP 201-204 allowing for consideration of issues by Modified Procedure, i.e., by written submissions rather than by evidentiary hearing.

IV. REQUEST FOR RELIEF

Considering the foregoing arguments, Idaho Power respectfully requests that the Commission modify the Company's compliance requirement with respect to integration costs in the following manner: (1) authorize the Company to update Schedule 87 integration costs based on the forthcoming VER integration study, rather than the 2020 VER Study, and 2) authorize the Company to file both the new study and updated Schedule 87 no later than December 31, 2024, to ensure timely update of rates consistent with the Commission's original language in Order No. 36048.

DATED at Boise, Idaho, this 27th day of February 2024.



DONOVAN E. WALKER
Attorney for Idaho Power Company