



An IDACORP Company

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IDAHO PUBLIC
UTILITIES COMMISSION

MEGAN GOICOECHEA ALLEN
Corporate Counsel
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June 21, 2024

VIA ELECTRONIC MAIL

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

Re: Case No. IPC-E-24-24
Idaho Power Company's Application for Approval of a Second Amendment
to the Power Purchase Sales Agreement between Idaho Power and
Telocaset Wind Power Partners, LLC

Dear Commission Secretary:

Attached for electronic filing is Idaho Power Company's Application in the above-entitled matter. If you have any questions about the attached documents, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink that reads "Megan Goicoechea Allen".

Megan Goicoechea Allen

MAG:cd
Enclosures

MEGAN GOICOECHEA ALLEN (ISB No. 7623)
DONOVAN E. WALKER (ISB No. 5921)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
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mgoicoecheaallen@idahopower.com
dwalker@idahopower.com

Attorneys 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-24-24 |
| APPROVAL OF THE SECOND |) | |
| AMENDMENT TO THE POWER |) | APPLICATION |
| PURCHASE SALES AGREEMENT |) | |
| BETWEEN IDAHO POWER AND |) | |
| TELOCASET WIND POWER PARTNERS, |) | |
| LLC. |) | |
| _____ |) | |

Idaho Power Company (“Idaho Power” or “Company”), in accordance with Idaho Public Utilities Commissions (“Commission”) Rule of Procedure¹ 52, hereby respectfully applies to the Idaho Public Utilities Commission for an order approving the Second Amendment (“Second Amendment”) to the Power Purchase Sales Agreement between Idaho Power and Telocaset Wind Power Partners, LLC (“Seller”), which updates the applicable pricing schedule in Appendix A of the Agreement, as amended, to cover the full contract term.

¹ Hereinafter cited as RP.

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

I. BACKGROUND

1. Idaho Power and the Seller (jointly, “Parties”) entered into a Power Purchase Agreement (“PPA”) on December 15, 2006, with an Initial Term of 20 years from the Operation Date, for the purchase and sale of energy produced by the Elkhorn Wind Park (“Facility”). The PPA, which is not a contract under the Public Utility Regulatory Policies Act (“PURPA”) but includes many provisions similar to those in PURPA contracts, was approved by the Commission in Order No. 30259 issued in Case No. IPC-E-06-31 on February 27, 2007.

2. The PPA contains two pricing options: Post-Operation Date Pricing and Post-Operation Date Alternative Pricing, which Idaho Power could elect after satisfying certain conditions precedent as specified in the PPA. Since 2012, Idaho Power has been paying for energy from the Facility in accordance with the Post-Operation Date Alternative Pricing schedule set forth in Appendix A to the PPA.

3. On December 19, 2014, the Parties entered into a First Amendment to the PPA, which revised a reporting requirement and resolved the Parties’ conflicting interpretations of the PPA’s provisions regarding assumption of curtailment risk while under the election to utilize Post-Operation Date Alternative Pricing. The First Amendment to the PPA was approved by the Commission in Order No. 33318 issued in Case No. IPC-E-15-09.

4. Recently, Idaho Power discovered that the Post-Operation Date Alternative Pricing schedule set forth in Appendix A of the PPA, as amended, only contained pricing through 2026, which did not correspond to the Initial Term of 20 years based on the Facility’s Operation Date of December 28, 2007.

5. In order to rectify this discrepancy, the Parties desire to enter into the Second Amendment to the PPA to include the last contract year (2027) in the Post-Operation Date Alternative Pricing schedule set forth in Appendix A of the PPA, as amended. The Second Amendment to effectuate this change, which is more fully described below, was executed by the Parties on May 29, 2024, and is subject to the Commission’s approval. A copy of the Second Amendment is attached to this Application as Attachment 1.

II. THE SECOND AMENDMENT

6. Based on the Facility’s Operation Date of December 28, 2007, the PPA will remain in full force and effect through 2027. However, Appendix A to the Power Purchase Sales Agreement, which sets forth the schedules for the two pricing options, only provides pricing through 2026. To remedy this oversight, Idaho Power calculated the Alternative Contract Price for the final year of the contract (2027) using a standard three percent (3%) escalation rate, which corresponds to the method used for the earlier years’ pricing. Accordingly, the Second Amendment revises Appendix A of the PPA, as amended, to add 2027 prices to the POST-OPERATION DATE ALTERNATIVE PRICING table set forth on page 3 of Appendix A as follows:

| <u>POST-OPERATION DATE ALTERNATIVE PRICING</u> | | | | | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| FOR | | | | | | | | | | | | | |
| POWER PURCHASE SALES AGREEMENT | | | | | | | | | | | | | |
| BETWEEN | | | | | | | | | | | | | |
| TELOCASET WIND POWER PARTNERS, LLC | | | | | | | | | | | | | |
| AND | | | | | | | | | | | | | |
| IDAHO POWER COMPANY | | | | | | | | | | | | | |
| | | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
| | | 100.0% | 100.0% | 73.5% | 73.5% | 73.5% | 100.0% | 120.0% | 120.0% | 100.0% | 100.0% | 120.0% | 120.0% |
| Year | Base | | | | | | | | | | | | |
| 2027 | \$81.45 | \$81.45 | \$81.45 | \$59.87 | \$59.87 | \$59.87 | \$81.45 | \$97.74 | \$97.74 | \$81.45 | \$81.45 | \$97.74 | \$97.74 |

7. Except as expressly provided in the Second Amendment, the conditions, obligations, rates, and other terms of the PPA, as amended, remain in full force and effect.

III. MODIFIED PROCEDURE

8. Idaho Power believes that a technical hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing. RP 201, *et seq.* If, however, the Commission determines that a technical hearing is required, the Company stands ready to prepare and present testimony and exhibits as appropriate in such hearing.

IV. COMMUNICATIONS AND SERVICE OF PLEADINGS

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

| | |
|--|--|
| Megan Goicoechea Allen | Energy Contracts |
| Donovan E. Walker | Idaho Power Company |
| IPC Dockets | 1221 West Idaho Street (83702) |
| 1221 West Idaho Street (83702) | P.O. Box 70 |
| P.O. Box 70 | Boise, Idaho 83707 |
| Boise, Idaho 83707 | energycontracts@idahopower.com |
| mgoicoecheaallen@idahopower.com | |
| dwalker@idahopower.com | |
| dockets@idahopower.com | |

V. REQUEST FOR RELIEF

10. Idaho Power respectfully requests that the Commission issue an order approving the Second Amendment to the Power Purchase Sales Agreement between Idaho Power and Seller as submitted herewith without change or condition.

Respectfully submitted this 21st day of June, 2024.

A handwritten signature in black ink that reads "Megan Goicoechea Allen". The signature is written in a cursive, flowing style.

MEGAN GOICOECHEA ALLEN
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 21st day of June, 2024, I served a true and correct copy of the within and foregoing APPLICATION upon the following named parties by the method indicated below, and addressed to the following:

| | |
|---|--|
| Commission Secretary Idaho Public Utilities Commission 11331 W. Chinden Blvd., Bldg No. 8 Suite 201-A (83714) PO Box 83720 Boise, ID 83720-0074 | <input type="checkbox"/> Hand Delivered <input type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX <input type="checkbox"/> FTP Site <input checked="" type="checkbox"/> Email |
|---|--|

Courtesy Copy:

Bruno Subieta - bruno.subieta@edp.com



Christy Davenport
Legal Administrative Assistant

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-24-24**

IDAHO POWER COMPANY

ATTACHMENT 1

**SECOND AMENDMENT
TO THE
POWER PURCHASE AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
TELOCASET WIND POWER PARTNERS, LLC**

This Second Amendment of the Power Purchase Sales Agreement (“PPA” or “Agreement”) is entered into on this 29th day of May 2024, by and between Idaho Power Company, an Idaho corporation (“Idaho Power” or “Buyer”), and Telocaset Wind Power Partners, LLC (“Seller”), (individually a “Party” and collectively the “Parties”).

WHEREAS, Parties entered into a PPA on December 15, 2006, for the purchase and sale of generation produced by the Elkhorn Wind Park (“Facility”) with an Initial Term of 20 years from the Operation Date, which was approved by the Idaho Public Utilities Commission’s (“IPUC”) on February 27, 2007, in Order No. 30259; and

WHEREAS, Appendix A of the Agreement contains two pricing options: Post-Operation Date Pricing and Post-Operation Date Alternative Pricing, which Idaho Power could elect after satisfying certain Conditions Precedent as specified in Appendix J of the Agreement. Idaho Power subsequently notified Seller that it was electing to use the Post-Operation Date Alternative Pricing beginning on February 1, 2012; and

WHEREAS, Parties agreed to enter into the First Amendment to the PPA on December 19, 2014, which, in pertinent part, resolved a dispute between the Parties as to the interpretation of Appendix J, that was approved by the IPUC on June 10, 2015, in Order No. 33318; and

WHEREAS, it recently came to the Buyer’s attention that the Post-Operation Date Alternative Pricing schedule set forth in Appendix A of the Agreement, as amended, only contained pricing through 2026, which did not correspond to the Initial Term based on an Operation Date of December 28, 2007; and

WHEREAS, to rectify this discrepancy, the Parties desire to enter into this Second Amendment to the PPA to include the last contract year (2027) in the Post-Operation Date Alternative Pricing schedule referenced in Appendix A of the PPA; a standard three percent (3%) escalation rate was used to calculate the 2027 Alternative Contract Prices, which corresponds to the method used for the earlier years’ pricing.

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

2. **Amendment.** APPENDIX A: Appendix A of the Agreement, as amended, shall have 2027 prices added to the POST-OPERATION DATE ALTERNATIVE PRICING table as follows:

| <u>POST-OPERATION DATE ALTERNATIVE PRICING</u> | | | | | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| FOR | | | | | | | | | | | | | |
| POWER PURCHASE SALES AGREEMENT | | | | | | | | | | | | | |
| BETWEEN | | | | | | | | | | | | | |
| TELOCASET WIND POWER PARTNERS, LLC | | | | | | | | | | | | | |
| AND | | | | | | | | | | | | | |
| IDAHO POWER COMPANY | | | | | | | | | | | | | |
| | | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
| | | 100.0% | 100.0% | 73.5% | 73.5% | 73.5% | 100.0% | 120.0% | 120.0% | 100.0% | 100.0% | 120.0% | 120.0% |
| Year | Base | | | | | | | | | | | | |
| 2027 | \$81.45 | \$81.45 | \$81.45 | \$59.87 | \$59.87 | \$59.87 | \$81.45 | \$97.74 | \$97.74 | \$81.45 | \$81.45 | \$97.74 | \$97.74 |

3. **Commission Approval.** The obligations of the Parties under this Second Amendment are subject to the IPUC's approval of this Second Amendment, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this Second Amendment to the IPUC and request approval or rejection in its entirety.

4. **Effect of Amendment.** Except as expressly amended by this Second Amendment, the Agreement, as amended, shall remain in full force and effect.

5. **Capitalized Terms.** All capitalized terms used in this Second Amendment and not defined herein shall have the same meaning as used in the Agreement, as amended.

6. **Scope of Amendment.** This Second 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.

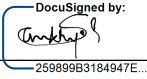
7. **Authority.** Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has the requisite authority to execute this Second Amendment.

8. **Counterparts.** This Second 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.

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

TELOCASET WIND POWER PARTNERS, LLC

IDAHO POWER COMPANY

By:  _____
DocuSigned by:
Sandhya Ganapathy
259899B3184947E...

By: Ryan N. Adelman _____

Name: Sandhya Ganapathy _____

Name: Ryan N. Adelman _____

Title: Chief Executive Officer _____

Title: VP, Power Supply _____

Date: May 25, 2024 _____

Date: 5/29/2024 _____

 DS
SA