## **BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

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IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR APPROVAL OF A FIRST AMENDMENT TO THE ENERGY SALES AGREEMENT FOR THE SALE AND PURCHASE OF ELECTRIC ENERGY FROM THE LOW LINE CANAL HYDRO PROJECT CASE NO. IPC-E-24-32 ORDER NO. 36328

On July 1, 2024, Idaho Power Company ("Company") filed an application ("Application") with the Idaho Public Utilities Commission ("Commission") requesting an order approving the First Amendment ("First Amendment") to the Energy Sales Agreement ("ESA") between the Company and South Forks Joint Venture ("Seller") for electric energy generated by the Seller's Low Line Canal Hydro Project ("Facility" or "Project"), which is a PURPA Qualifying Facility ("QF").

The Company represented that on November 22, 2019, the Company and the Seller entered into an ESA for the purchase and sale of energy produced by the Facility, and the ESA was approved by the Commission on March 6, 2020. Application at 2.

The Company represented that the Company and the Seller desire to enter into the First Amendment to the ESA, to: (1) modify the evaluation period for the Project's eligibility for seasonal hydro rates consistent with the change recently authorized by the Commission for another PURPA QF; (2) revise Article XXIII Modification in conformity with the language recently approved by the Commission; and (3) amend Sections B-1 and B-4 of Appendix B to the ESA to more precisely describe the generating unit as well as both the Nameplate Capacity and the Maximum Capacity Amount. *Id.* at 3.

The Company also represented that the First Amendment to the ESA was executed by the parties on May 31, 2024, and is subject to the Commission's approval. *Id*.

## **STAFF COMMENTS**

Staff reviewed the Application and focused on the evaluation timeframe for seasonal hydro rates, Article XXIII Modification, the Nameplate Capacity Amount, and the Maximum Capacity Amount in the First Amendment. Based on its review, Staff recommended that the Commission approve the First Amendment to the ESA between the Company and the Seller for electric energy generated by the Seller's Low Line Canal Hydro Project.

Staff also recommended that if the Facility is modified, only the net power supply expense that reflects the proper authorized rate for all energy delivered as of the first operation date of the modified Facility should be included in the Company's Power Cost Adjustment, regardless of the compensation paid to the Seller of the modified Facility.

## **COMMISSION FINDINGS AND DECISION**

The Commission has jurisdiction over the Company's Application and the issues in this case under Title 61 of the Idaho Code including *Idaho Code* §§ 61-301 through 303. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of all public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provisions of law, and to fix the same by order. *Idaho Code* §§ 61-501 through 503. Having reviewed the Application, all submitted comments, and the record, the Commission finds it fair, just, and reasonable to approve the Company's First Amendment to the Energy Sales Agreement between the Company and South Forks Joint Venture for electric energy generated by the Low Line Canal Hydro Project

## ORDER

IT IS HEREBY ORDERED that the Company's Application is approved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding 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 26<sup>th</sup> day of September 2024.

ERIC ANDERSON, PRESIDENT

R. HAMMOND JR., COMMISSIONER JOH

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EDWARD LODGE, COMMISSIONER

ATTEST:

Monica Barrid **Commission Secretary** 

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