

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	CASE NO. IPC-E-24-42
COMPANY’S APPLICATION FOR)	
APPROVAL OF A POWER PURCHASE)	ORDER NO. 36572
AGREEMENT WITH BLACKS CREEK)	
ENERGY CENTER, LLC)	
)	
)	

On November 8, 2024, Idaho Power Company (“Company”) filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) requesting approval of a 20-year Power Purchase Agreement (“PPA”) between the Company and Blacks Creek Energy Center, LLC (“Blacks Creek”).

The Company represented that on October 11, 2024, the Company and Blacks Creek entered into a PPA for the sale and purchase of 320 megawatts (“MW”) of renewable solar electric generation for a term of twenty years from the Commercial Operation Date (“COD”), scheduled to be December 31, 2027. Application at 5.

The Company stated that under the terms of the PPA, PVS 2, LLC, will build, own, operate, and maintain a 320 MW alternating current solar photovoltaic generation facility (“Facility”), and will supply the output to the Company’s system. *Id.* The Company also represented that Brisbie is identified in the PPA as a third-party beneficiary receiving Net Output and Green Tags generated by the Facility. *Id.*

STAFF COMMENTS

Staff’s review focused on the procurement process, the definition of Market Price Index, the Loss of Load Expectations (“LOLE”) reliability analyses, and the relationship between Performance Ratio and Effective Load Carrying Capability (“ELCC”). Staff Comments at 2.

Based on its review, Staff recommended the Commission order the Company to file a compliance filing to reflect the following:

1. The parties modify the definition of Market Price Index and how it is determined to avoid potential impacts of Washington’s Climate Commitment Act (“CCA”) on Idaho ratepayers.

2. The Company update the ELCC by using the most recent load and contracted resource data as of the contract execution date of October 11, 2024.
3. The Company include additional load and resource adjustments to reflect near-term trends (“Final Study”) when informing the monthly distribution of the annual payment.
4. The Company create “seasons” based on the 2028 Loss of Load Probability (“LOLP”) profiles determined in the Final Study.
5. The Company identify high-risk hours based on the 2028 LOLP profiles determined in the Final Study, with no expansion of risk-hours.
6. The Company establish the relationship between Performance Ratio and ELCC based on the Final Study. Additionally,
 - a. The Company use increments of 0.05 of Performance Ratio to create data points; and
 - b. The Company use a method of the best-fit linear equation with constraints of 100% of the original ELCC at Performance Ratio of 1.0.

Id.

COMPANY REPLY COMMENTS

With respect to Staff’s first recommendation, the Company believed it was not necessary to include the modified language regarding the CCA in all PPAs or PURPA ESAs to fulfill the Commission’s intent to provide maximal protection to Idaho consumers against unreasonable costs. Company Reply Comments at 5. However, the Company was willing to incorporate Staff’s recommended modification as the Company stated it would not affect the rights of the parties under the PPA and would have no impact on how the PPA was administered. *Id.* The Company and Blacks Creek entered into an amendment to incorporate Staff’s recommended change and filed a fully executed First Amendment to the Blacks Creek PPA. Attachment 1 to Company Reply Comments.

With respect to Staff’s recommendations pertaining to the determination of the proposed Payment Structure, specifically the Renewable Capacity Credit (“RCC”), pursuant to the Brisbie Special Contract and associated Schedule 33, the Company believed that Staff’s recommendations might have unintended consequences, and the Company suggested it would be beneficial to work together with Staff to address the specific feedback and reach alignment on the recommendations. Company Reply Comments at 6.

Accordingly, the Company requested that the Commission direct the Company to work with Staff to develop the structure for calculating Brisbie's RCC under the Brisbie Special Contract and for the Company to submit a compliance filing with the proposed RCC and associated update to Schedule 33 within 60 days of the Commission's order in this case. *Id.* at 6-7. The Company noted that the time sensitivities associated with the approval of the Blacks Creek PPA do not exist with respect to updating the RCC component associated with Blacks Creek PPA under Schedule 33, which will not apply until December 2027. *Id.* at 7, footnote 9.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, 61-502, and 61-503. The Commission is vested with the power to "supervise and regulate every public utility in the state and to do all things necessary to carry out the spirit and intent of the [Public Utilities Law]." *Idaho Code* § 61-501. 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.

Having reviewed the Application and all submitted materials, the Commission finds it fair, just, and reasonable to approve the Blacks Creek PPA and the First Amendment and to declare that all payments to be made to Blacks Creek pursuant to the PPA shall be allowed as prudently incurred expenses for ratemaking purposes. The Company is directed to work with Staff to develop the structure for calculating Brisbie's RCC under the Brisbie Special Contract including all issues raised by Staff in its comments. The Company shall submit a compliance filing with the proposed RCC and the associated updates to Schedule 33 within 60 days of this Order.

ORDER


IT IS HEREBY ORDERED that the PPA and the First Amendment are approved. All payments made to Blacks Creek pursuant to the PPA and the First Amendment shall be allowed as prudently incurred expenses for ratemaking purposes.

IT IS FURTHER ORDERED that the Company shall work with Staff to develop the structure for calculating Brisbie's RCC under the Brisbie Special Contract including all issues raised by Staff in its comments. The Company shall submit a compliance filing with the proposed RCC and the associated updates to Schedule 33 within 60 days of this order.

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.

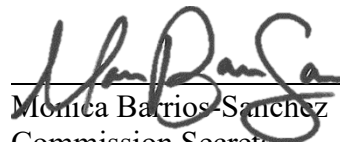
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 24th day of April 2025.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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