# BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	CASE NO. IPC-E-25-06
OF IDAHO POWER COMPANY TO	)	
MODIFY SCHEDULE 72, GENERATOR	)	
INTERCONNECTIONS TO PURPA	)	<b>ORDER NO. 36652</b>
QUALIFYING FACILITY SELLERS, IN	)	
CONFORMANCE WITH FERC ORDERS	)	
2023/2023-A	)	
	_ )	

On February 28, 2025, Idaho Power Company ("Company") filed an application ("Application") with the Idaho Public Utilities Commission ("Commission") requesting an order modifying Schedule 72, Generator Interconnections to Public Utility Regulatory Policies Act of 1978 ("PURPA") Qualifying Facility ("QF") Sellers, to conform with the interconnection process reforms implemented by the Federal Energy Regulatory Commission ("FERC") in Order No. 2023/2023-A to large generator interconnections, over 20 megawatts ("MW").

#### **BACKGROUND**

On July 28, 2023, FERC issued Order No. 2023, which updated the procedures for interconnecting FERC-jurisdictional large generating facilities (20 MW and above). Among other reforms, Order No. 2023 replaced FERC's first-come, first-served serial approach to interconnections in favor of a first-ready, first-served cluster study approach that includes provisions for demonstration of site control, commercial readiness, and queue withdrawal penalties. On May 14, 2024, FERC issued Order No. 2023-A, which served primarily to clarify Order No. 2023.

### **APPLICATION**

The Company represented that its proposed revisions to Schedule 72 were necessary to maintain alignment between FERC's revisions to the Company's Open Access Transmission Tariff ("OATT") and large QF interconnections under Schedule 72. Application at 5. The Company represented that the proposed revisions implemented FERC's first-ready, first-served cluster study process for Idaho-jurisdictional QF interconnection requests. *Id.* The Company represented that FERC's reforms were meant to discourage speculative interconnection requests, which are allowed by the first-come, first served approach and "are largely responsible for the current interconnection queue backlogs and delays." *Id.* at 7.

The Company proposed to modify Schedule 72's 30 MW distinction between large and small interconnections to align with the OATT differentiation of small generator interconnections being 20 MW and under and large generator interconnections being over 20 MW. *Id*.

The Company also proposed to expressly exclude from Schedule 72 the language in its OATT providing for transmission credits for large QFs. *Id.* at 6. The Company represented that making such credits available under Schedule 72 would risk violating PURPA by failing to ensure the Company's customers remain indifferent to the addition of a QF's Generation Facility. *Id.* 

The Company represented that, as of the date it filed the Application, there were no large QF interconnection requests and that there have been no such requests in the last five years. *Id.* Therefore, no active QF interconnection requests were impacted by the proposed changes to Schedule 72. *Id.* 

The Company requested to have the proposed changes to Schedule 72 approved by the Commission with a back-dated effective date of March 1, 2025. Application at 9. Alternatively, the Company requested the effective date be listed on the revised Schedule 72 coincident with the Commission's final order in this matter. *Id.* 

The Company stated that it was not proposing any changes to the interconnection framework applicable to Idaho-jurisdictional QF small generators. *Id.* at 4.

#### **STAFF COMMENTS**

Based on Staff's review of the Company's Application and responses to production requests, Staff recommended that the Commission approve the proposed changes to Schedule 72 with an effective date coincident with the Commission's final order in this case. Staff Comments at 2. Staff noted that although the Idaho jurisdictional interconnection process governed by Schedule 72 and the FERC jurisdictional interconnection process set forth in the Company's OATT are not legally required to be aligned, Staff believed it was reasonable to align the two processes generally, with an exception for the treatment of transmission credits. *Id.* 

Staff reasoned that the Idaho-jurisdictional interconnection process governed by Schedule 72 was designed to mirror the FERC-jurisdictional interconnection process set forth in the Company's OATT. *Id.* at 3. Staff noted that from a practical perspective, it would be difficult to maintain two different approaches at the same time, and doing so could result in unfair treatments, unfair cost allocations, and low processing efficiency. *Id.* at 3–4. Similarly, Staff believed it was reasonable to use the same 20 MW threshold to divide large interconnections and small

interconnections in both the FERC interconnection process and the Schedule 72 interconnection process to avoid confusion and prevent scenarios when interconnection requests between 20 MW and 30 MW are subject to two different treatments. *Id.* at 4.

Additionally, Staff agreed with the benefits of FERC's first-ready, first-served cluster study approach replacing the first-come, first-served serial approach. *Id.* at 3. Staff believed that by adopting the FERC interconnection process for large generators, including requirements of commercial readiness and stringent demonstrations of site control, speculative interconnection requests would be reduced, and the number of withdrawals and subsequent re-studies would be decreased for large PURPA QFs in Idaho. *Id.* 

# **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. The Commission has reviewed the Application, all submitted materials, and all submitted comments. Based on its review of the record, the Commission finds it fair, just, and reasonable to approve the Application.

### **ORDER**

IT IS HEREBY ORDERED that the Company's Application is approved as filed. The Company's proposed changes to Schedule 72 contained in Attachment A of the Application will take effect coincident with the issuance 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. *See Idaho Code* § 61-626.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this  $24^{\text{th}}$  day of June 2025.

EDWARD LODGE, PRESUDENT

JOHN R. HAMMOND JR., COMMISSIONER

DAYN HARDIE, COMMISSIONER

ATTEST:

Monica Barrios-Sanchez Commission Secretary

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