

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER	)	CASE NO. IPC-E-25-21
COMPANY’S PETITION TO UPDATE THE	)	
COLSTRIP-RELATED ADJUSTABLE	)	ORDER NO. 36658
PORTION OF AVOIDED COST RATES	)	
FOR EXISTING PURPA CONTRACTS	)	
	)	

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On May 1, 2025, Idaho Power Company (“Company”) petitioned the Idaho Public Utilities Commission (“Commission”) for an order implementing the annual update to the Colstrip-related adjustable portion of the published avoided cost rates (“Colstrip Method”) for certain qualifying facilities (“QF”) under the Public Utility Regulatory Policies Act of 1978 (“PURPA”) (“Petition”).

On May 22, 2025, the Commission issued a Notice of Petition and Notice of Modified Procedure, establishing a June 12, 2025, deadline for initial comments, and a June 19, 2025, deadline for the Company to file reply comments. Order No. 36606. Commission Staff (“Staff”) filed the only comments in this case on June 12, 2025.

Having reviewed the record in this case we now issue this Final Order updating the Colstrip Method, effective July 1, 2025.

### BACKGROUND

The Commission has established the Colstrip Method for determining the annual adjustable-rate portion of avoided costs for those contracts using variable cost data from Avista Corporation’s (“Avista”) Federal Energy Regulatory Commission (“FERC”) Form 1 associated with Colstrip—a coal-fired generating facility in southeast Montana. Order No. 28708, Case No. GNR-E-99-01.

### THE PETITION

The Company represented that it calculated the Colstrip-related adjustable rate will change from 22.74 mill/kilowatt hour (“kWh”) to 24.56 mill/kWh, effective July 1, 2025. Petition at 2. The Company submitted the relevant pages from Avista’s FERC Form 1, from which the calculation was derived, as Attachment A to the Petition. *Id.*

The Company further represented that because Avista’s ownership stake in the Colstrip facility will be transferred to NorthWestern Corporation d/b/a Northwestern Energy (“NorthWestern”) as of December 31, 2025, and Avista will no longer include Colstrip data in its

FERC Form 1, the Company intended to use Colstrip data from NorthWestern's FERC Form 1 for future annual updates. *Id.* at 3.

The Company stated that if it was unable to access necessary data after NorthWestern assumes Avista's interest in the Colstrip facility, or if the Company suspects the NorthWestern data results in a skewed update due to ownership and reporting differences, the Company would work with Staff to find a dataset or mechanism that leads to an adjustable rate that meets the intent of the prior Commission orders. *Id.*

### **STAFF COMMENTS**

Staff reviewed the Company's methodology to verify the proposed rate. Staff Comments at 2. Based on its review, Staff believed the Company's calculation complied with Commission Order No. 28708 and that the resulting rate was correct. *Id.* Accordingly, Staff recommended the Commission approve the Colstrip-related adjustable rate of 24.56 mills/kWh with an effective date of July 1, 2025. *Id.*

### **COMMISSION DECISION AND FINDINGS**

The Commission has jurisdiction over the Company under the authority and power granted to the Commission under Title 61 of the Idaho Code and PURPA. The Commission has authority under PURPA and the FERC's implementing regulations to set avoided costs, to order electric utilities to enter fixed-term obligations for the purchase of energy from QFs, and to implement FERC rules.

The Commission has reviewed the record, all submitted materials, and all submitted comments. Based on its review of the record, and the calculations for the adjustable portion of the avoided costs using the Colstrip Method, the Commission finds it fair, just, and reasonable to approve the resulting adjustable rates of 24.56 mill/kWh for existing contracts, effective July 1, 2025.

### **ORDER**

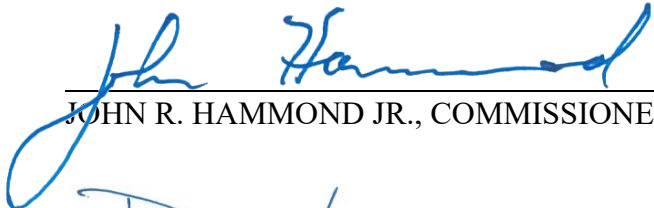
IT IS HEREBY ORDERED that the adjustable portions of the avoided-cost rates for existing PURPA contracts using the Colstrip Method are changed from 22.74 mill/kWh to 24.56 mill/kWh, effective July 1, 2025.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of 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 27<sup>th</sup> day of June 2025.

  
EDWARD LODGE, PRESIDENT

  
JOHN R. HAMMOND JR., COMMISSIONER

  
DAYN HARDIE, COMMISSIONER

ATTEST:

  
Monica Barrios-Sanchez  
Commission Secretary

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