

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER) CASE NO. IPC-E-26-14
COMPANY’S PETITION TO UPDATE THE)
COLSTRIP-RELATED ADJUSTABLE)
PORTION OF AVOIDED COST RATES FOR) ORDER NO. 37084
EXISTING PURPA CONTRACTS)
)

On May 1, 2026, Idaho Power Company (“Company”) petitioned the Idaho Public Utilities Commission (“Commission”) requesting an update to the Colstrip-related adjustable portion of the published avoided cost rates for existing Public Utility Regulatory Policies Act (“PURPA”) contracts (“Petition”). The Company requested a July 1, 2026, effective date.

On May 28, 2026, the Commission issued a Notice of Petition and Notice of Modified Procedure, establishing deadlines for public comments and Company reply comments. Order No. 37050. No public comments were received.

Based on our review of the record, the Commission now issues this Final Order approving the updated Colstrip-related adjustable portion of the published avoided cost rate of 24.40 mill/kWh, effective July 1, 2026.

BACKGROUND

The Commission established the Colstrip Method for determining the annual adjustable-rate portion of avoided costs for PURPA 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 proposed to update the Colstrip-related adjustable rate from 24.56 mill/kilowatt hour (“kWh”) to 24.40 mill/kWh, effective July 1, 2026. Petition at 2. The Company submitted the relevant pages from Avista’s FERC Form 1 that the Company used to calculate the proposed rates as Attachment A to the Petition. *Id.*

The Company stated that because Avista transferred its ownership interest in the Colstrip facility to NorthWestern Corporation (“NorthWestern”), effective December 31, 2025, and will no longer report Colstrip-related data in its FERC Form 1 filings, the Company intends to rely on

Colstrip data reported in NorthWestern's FERC Form 1 for future annual updates following this year's Petition. *Id.* at 3.

If the Company is unable to obtain the necessary data from NorthWestern, or if the Company determines that NorthWestern's reported data produces a distorted annual update due to differences in ownership or reporting practices, the Company will work with Commission Staff ("Staff") to identify an alternative dataset or methodology that results in an adjustable rate consistent with the intent of prior Commission orders. *Id.*

STAFF COMMENTS

Staff believed the Company's proposed Colstrip-related adjustable rate of 24.40 mills/kWh was accurate and recommended that it be approved. Staff Comments at 2. To evaluate the proposed rate, Staff reviewed whether the calculation was performed using the methodology authorized by the Commission in Order No. 28708 and whether the inputs were based on the appropriate variable cost data reported in Avista Corporation's FERC Form 1. *Id.* Based on its review, Staff believed that the Company's calculation method complied with Order No. 28708 and that the correct variable cost data were used in determining the proposed rate. *Id.*

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over the Company under the authority and power granted it 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 rate of 24.40 mill/kWh for existing contracts, effective July 1, 2026.

The Commission acknowledges the Company's position that it may face challenges, given that Avista and NorthWestern are not obligated to provide advance access to their FERC Form 1 filings, and that NorthWestern's Colstrip-related data may produce distorted results due to differences in ownership structure and reporting practices. As the Company has represented, we expect the Company will be able to obtain the necessary data to support the update as it begins filing future revisions to the Colstrip methodology. We direct the Company to promptly notify and

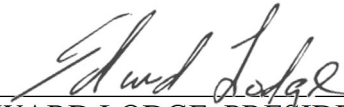
coordinate with Staff should it be unable to meet the deadline due to an inability to obtain the required data. Further, if the Company determines that data obtained from NorthWestern results in a distorted update, as described in the Petition, we direct the Company to collaborate with Staff to identify an appropriate dataset or alternative mechanism that yields an adjustable rate consistent with the intent of Order No. 28708.


ORDER

IT IS HEREBY ORDERED that the updated Colstrip-related adjustable portion of the published avoided cost rates of 24.40 mill/kWh, effective July 1, 2026, is approved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within 21 days of the service date of this Order regarding any matter decided in this Order. Within 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 29th day of June, 2026.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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