DECISION MEMORANDUM

- TO: COMMISSIONER KJELLANDER COMMISSIONER RAPER COMMISSIONER ANDERSON COMMISSION SECRETARY COMMISSION STAFF LEGAL
- FROM: MATT HUNTER DEPUTY ATTORNEY GENERAL

DATE: JUNE 18, 2020

SUBJECT: IN THE MATTER OF ROCKY MOUNTAIN POWER'S APPLICATION FOR APPROVAL OF A POWER PURCHASE AGREEMENT BETWEEN PACIFICORP AND BIRCH HYDRO COMPANY; CASE NO. PAC-E-20-07

On June 3, 2020, Rocky Mountain Power ("Company"), a division of PacifiCorp, applied for consideration of a power purchase agreement ("PPA") with Birch Hydro Company for energy generated by a small hydro facility in Clark County, Idaho ("Facility"). Application at 1. The Facility is a qualifying facility under the Public Utility Regulatory Policies Act of 1978 ("PURPA"), and has a nameplate capacity of 2.65 megawatts. *Id*.

THE APPLICATION

The Facility has been delivering energy to the Company in accordance with a PURPA contract dated August 21, 1984. *Id.* at 2. By letter dated March 30, 2006, the Company and Birch Hydro Company agreed the existing PURPA contract will expire at midnight on March 31, 2022. *Id.* The Company states that the PPA contains non-seasonal, non-levelized avoided cost rates for a 20-year term. *See Id.* at 3, Attachment 1, Exhibit K. The Company requests the Commission declare all payments for purchase of energy under the PPA be allowed as prudently incurred expenses for ratemaking purposes. *Id.* at 5.

STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application and Notice of Modified Procedure, setting an August 10, 2020 comment deadline and an August 17, 2020 reply comment deadline.

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COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure, setting an August 10, 2020 comment deadline and an August 17, 2020 reply comment deadline?

Matt Hunter Deputy Attorney General

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