

## DECISION MEMORANDUM

**TO:** COMMISSIONER ANDERSON  
COMMISSIONER CHATBURN  
COMMISSIONER HAMMOND  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** DAYN HARDIE  
CLAIRE SHARP  
YAO YIN

**DATE:** JULY 12, 2022

**RE:** IN THE MATTER OF ROCKY MOUNTAIN POWER'S COMPLIANCE FILING IN CASE NO. PAC-E-20-18; IN THE MATTER OF ROCKY MOUNTAIN POWER'S APPLICATION FOR APPROVAL OR REJECTION OF THE POWER PURCHASE AGREEMENT WITH AMY FAMILY HOLDINGS, LLC IN CASE NO. PAC-E-22-08.

### BACKGROUND

On December 20, 2021, the Commission issued Order No. 35262 in Case No. PAC-E-20-18, which approved an Amendment extending the 1985 contract between Amy Family Holdings, LLC ("Seller") and Rocky Mountain Power ("Company") for one year conditioned on the following two modifications:<sup>1</sup>

1. The Amendment reflects the actual installed nameplate capacity of the generator as 650 kilowatts ("kW"); and
2. The contracting parties agree to include bifurcated rates during the one-year extension—avoided cost of energy and capacity for any hourly generation up to 600 kWhs and avoided cost of energy only for any hourly generation exceeding 600 kWhs until the Company's next capacity deficit year using the applicable avoided cost rates approved in Order No. 34683.

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<sup>1</sup> The Company did not file a compliance filing with the Commission that reflected these two modifications until June 14, 2022.

On March 18, 2022, during the one-year extension, the Seller and the Company entered into a 20-year Power Purchase Agreement (“PPA”) and applied for Commission approval on May 18, 2022. *See* Case No. PAC-E-22-08.

On June 16, 2022, the Commission issued Order No. 35433 in Case No. PAC-E-22-08, establishing a July 15, 2022 public comment deadline, and a reply comment deadline of July 22, 2022.

### **STAFF ANALYSIS**

Staff recommends the Commission: (1) approve the Amendment filed on June 14, 2022, as a compliance filing in Case No. PAC-E-20-18; (2) vacate the existing comment deadlines established in Order No. 35433 in Case No. PAC-E-22-08; and (3) establish new comment deadlines—14 days for public comments and 21 days for reply comments after the Commission issues an order on the Amendment.

#### One-year Extension Amendment in Case No. PAC-E-20-18

Staff reviewed the Amendment filed on June 14, 2022 in compliance with Order No. 35262. Staff believes it complies with the Commission’s direction in Order No. 35262. The only issue was the December 15, 2021, execution date included in the Amendment. Because the Company signed the Amendment on December 27, 2021, and was the last party to sign, it should have reflected the Company’s signature date as the execution date. The date does not cause any issues to the substance of the Amendment; therefore, Staff recommends approval of the Amendment as filed.

#### Schedule for Case No PAC-E-22-08

In Case No. PAC-E-22-08, the Company and the Seller entered into a 20-year renewal PPA. Order No. 35433 established a comment deadline of July 15, 2022, and a reply comment deadline of July 22, 2022. However, while reviewing the filing, Staff discovered that the Company never filed an Amendment ordered by the Commission necessary to authorize the one-year extension in Case No. PAC-E-20-18. Because the Amendment determines the baseline for determining the avoided cost rates for the 20-year PPA, Staff cannot review the Application until the Amendment is approved in Case No. PAC-E-20-18.

As explained above, Order No. 35262 conditioned the approval of the one-year extension Amendment in Case No. PAC-E-20-18 on the change of the Facility nameplate capacity and inclusion of bifurcated rates in the Amendment. Until the Commission approves the compliance

filing, the one-year extension is not yet authorized, and Staff cannot develop positions for the 20-year PPA proposed in Case No. PAC-E-22-08. Therefore, Staff recommends revoking the existing comment and reply comment deadlines and establishing a new 14-day public comment deadline, and an additional 7 days for the reply comment deadline. Staff verified that the Company is not opposed to the proposed modified procedural schedule for Case No. PAC-E-22-08.

### COMMISSION DECISION

Does the Commission wish to approve the following:

1. The Amendment filed by the Company on June 14, 2022, in Case No. PAC-E-20-18;
2. Revoking the existing July 15, 2022, comment deadline and the July 22, 2022, reply comment deadline established in Order No. 35433; and
3. Establishing new comment deadlines for Case No. PAC-E-22-08—14 days for public comments and a 7-day reply ??



Dayn Hardie  
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