

Exhibit 7

December 10, 2019

Letter from Greg Adams



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December 10, 2019

Via First Class Mail and Electronic Mail

Jacob A. McDermott
Senior Counsel
Rocky Mountain Power
1407 W. North Temple, Suite 320
Salt Lake City, Utah 84116
jacob.mcdermott@pacificorp.com

RE: Fall River Rural Electric Cooperative, Inc.'s Request for Power Purchase Agreement for
Chester Diversion Hydroelectric

Dear Mr. McDermott:

I write on behalf of my client, Fall River Rural Electric Cooperative, Inc., ("Fall River") to request that PacifiCorp, dba Rocky Mountain Power, supply a draft power purchase agreement ("PPA") for sale of the output of the Chester Diversion Hydroelectric project to Rocky Mountain Power as a qualifying facility ("QF") under the Idaho Public Utilities Commission's ("IPUC") implementation of the Public Utility Regulatory Policies Act of 1978 ("PURPA"). Unfortunately, Rocky Mountain Power is currently in violation of its obligations to negotiate for the purchase of the output of this facility in good faith, and therefore this letter states Fall River's position to ensure there is no confusion and to attempt to facilitate an amicable path forward.

The Chester facility is currently in operation, and Fall River wishes to enter into a PPA to sell the output to Rocky Mountain Power at the avoided cost rates under PURPA. The Chester facility is a QF, and therefore the proposed transaction falls under the IPUC's implementation of PURPA. On September 12, 2019, Fall River submitted a complete application to receive indicative pricing and a draft PPA. The application followed the format of Rocky Mountain Power's Schedule 38 on file with the IPUC, and Rocky Mountain Power did not notify Fall River that the submittal was incomplete within the 7-day period allotted for Rocky Mountain Power to do so in Schedule 38. Therefore, Rocky Mountain Power should have supplied a draft PPA to Fall River within 30 days – no later than October 12, 2019. However, instead of doing so, Rocky Mountain Power's representative, Kyle Moore, communicated via e-mail dated October 2, 2019, that "[p]rior to providing a draft PPA we will need to see a completed

interconnection study from PacifiCorp transmission demonstrating that the project can be interconnected to our system in the timeframe you have proposed for pricing.”

As you know due to our previous discussion on October 8, 2019, Fall River disagrees that Rocky Mountain Power can withhold a draft PPA until such time as Rocky Mountain Power furnishes an interconnection study. As Rocky Mountain Power is also aware, any such requirement would be a violation of the applicable PURPA rules, which preclude a purchasing utility from delaying the creation of a legally enforceable obligation to sell power from a QF by conditioning such obligations on the QF first overcoming delays in the interconnection process created by the purchasing utility. To be more specific, in *FLS Energy, Inc.*, 157 FERC ¶ 61,211 (Dec. 15, 2016), the Federal Energy Regulatory Commission held that it was unlawful to condition the QF’s right to commit to a PPA on completing steps in the interconnection process because the purchasing utility controls the interconnection process: “Such a requirement allows the utility to control whether and when a legally enforceable obligation exists – e.g., by delaying the facilities study or by delaying the tendering by the utility to the QF of an executable interconnection agreement.” *Id.* at P 24. Thus, Rocky Mountain Power’s determination that it will withhold a *draft* PPA until after Rocky Mountain Power supplies interconnection studies is unlawful, and Rocky Mountain Power is now over two months late in supplying the draft PPA to Fall River.

Furthermore, Fall River requested that Rocky Mountain Power supply a pro forma PPA for review on October 8, 2019, pending the delays imposed by Rocky Mountain Power’s refusal to supply a draft PPA specific for its facility. But Rocky Mountain Power never supplied that document, even though Schedule 38 requires it to be supplied within 7 days, by October 15, 2019.

In addition to being in non-compliance with the requirements the rules for negotiating a PPA, Rocky Mountain Power, through its transmission group, is also in noncompliance with the applicable rules governing interconnection of QFs. This should be a simple interconnection because it is a very small facility with maximum capacity of only 2.4 MW proposing connect to a 12.5 kV distribution line. On October 4, 2019, Fall River submitted an interconnection request for Chester and was assigned queue number 1182. After further discussion, on November 12, 2019, Fall River entered into the system impact study agreement and submitted the \$10,000 deposit. However, instead of supplying that study – which Rocky Mountain Power asserts is a precondition for obtaining a draft PPA – PacifiCorp’s transmission group communicated via letter dated November 25, 2019, that no such study would be supplied. PacifiCorp transmission asserts that “[d]ue to a significant number of Interconnection Requests proposing to interconnect in the same geographical area of PacifiCorp’s electrical system as the Interconnection Request submitted by Fall River Rural Electric Cooperative, Inc. (‘Interconnection Customer’), PacifiCorp will be unable to provide the Interconnection Customer’s System Impact Study (‘Study’) within the timelines outlined in PacifiCorp’s Small Generation Interconnection Procedures.” However, there is no lawful basis for this delay.

The applicable regulations require PacifiCorp to interconnect to the QF on non-discriminatory terms and provide clear deadlines to move the study process along. There is no

lawful basis for PacifiCorp transmission to completely refuse to process interconnection requests under the applicable interconnection rules and the parties' own System Impact Study Agreement, which affirmatively states "Transmission Provider shall cause to be performed a system impact study(s) consistent with the standard Small Generator Interconnection Procedures in accordance with the Open Access Transmission Tariff." The SIS Agreement further requires PacifiCorp transmission to supply the study within 30 days, by December 12, 2019, in the case of a distribution study and within 45 days, by December 27, 2019, in the case of a transmission study.

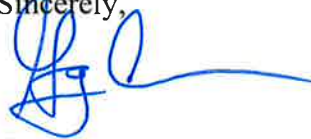
Additionally, regardless of the status of the interconnection process, Fall River has already progressed far beyond what should be required under the plain words of the IPUC-approved Schedule 38 to obtain a draft PPA. Fall River has already progressed to the stage of the interconnection process of a System Impact Study Agreement, which is not a requirement under Schedule 38 until 120 days after the Commission order approving the executed PPA. *See* Sheet 38.9 at § 11(b). The only actions holding up the commencement of sales to PacifiCorp under the proposed PPA are actions that PacifiCorp transmission must take to connect the facility to PacifiCorp's system. There is no basis to delay discussion of the draft PPA in that circumstance.

In sum, we make three requests:

1. Please supply the pro forma PPA that was requested on October 7, 2019.
2. Please supply the draft PPA that was requested on September 12, 2019.
3. Please supply the System Impact Study that PacifiCorp agreed to supply when it entered into the System Impact Study Agreement on November 12, 2019.

We look forward to receiving confirmation that Rocky Mountain Power and PacifiCorp transmission group will process these requests for a PPA and interconnection. If you have any questions regarding this matter, please contact me.

Sincerely,



Gregory M. Adams
Attorney for Fall River Rural Electric Cooperative, Inc.

cc: Bryan Case, Fall River Rural Electric Cooperative, Inc. (e-mail only)