



April 8, 2021

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IDAHO PUBLIC
UTILITIES COMMISSION

1407 W. North Temple, Suite 330
Salt Lake City, Utah 84116

VIA ELECTRONIC DELIVERY

Jan Noriyuki
Commission Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd
Building 8 Suite 201A
Boise, ID 83714

**Re: CASE NO. PAC-E-21-11
IN THE MATTER OF THE APPLICATION FOR APPROVAL OR REJECTION
OF THE AMENDED POWER PURCHASE AGREEMENT BETWEEN
PACIFICORP AND GEORGETOWN IRRIGATION**

Dear Ms. Noriyuki:

Please find for filing Rocky Mountain Power's Application in the above-referenced matter.

Informal inquiries may be directed to Ted Weston, Idaho Regulatory Manager at (801) 220-2963.

Very truly yours,

Joelle R. Steward
Vice-President of Regulation

Enclosures

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Attorneys for Rocky Mountain Power

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION
IN THE MATTER OF THE APPLICATION) CASE NO. PAC-E-20-11
FOR APPROVAL OR REJECTION OF THE)
AMENDED POWER PURCHASE) APPLICATION OF
AGREEMENT BETWEEN PACIFICORP) ROCKY MOUNTAIN POWER
AND GEORGETOWN IRRIGATION)

Rocky Mountain Power, a division of PacifiCorp, (“Company”) respectfully requests, pursuant to RP 52 and the applicable provisions of the Public Utility Regulatory Policies Act of 1978 (“PURPA”), that the Idaho Public Utilities Commission (“Commission”) issue an order approving or rejecting the amendment to extend for one year the Power Purchase Agreement (“PPA”) between PacifiCorp and the Georgetown Irrigation Company, (“Seller”) dated March 30, 2021. In support of this Application, Rocky Mountain Power states as follows:

I. INTRODUCTION

1. Rocky Mountain Power provides electric service to retail customers in the states of Idaho, Wyoming, and Utah. Rocky Mountain Power is a public utility in the state of Idaho and is subject to the Commission’s jurisdiction with respect to its prices and terms of electric service to

retail customers pursuant to Idaho Code 61-129. Rocky Mountain Power provides retail electric service to approximately 84,000 customers in the state of Idaho.

2. Seller owns, operates, and maintains a small hydro-electric power plant located in Bear Lake County, Idaho with a nameplate capacity rating of 330 kilowatts ("kW") (the "Facility"). Seller operates the Facility as a Qualifying Facility ("QF") under the applicable provisions of PURPA.

3. Sections 201 and 210 of PURPA, and pertinent regulations of the Federal Energy Regulatory Commission ("FERC") require that regulated electric utilities purchase electricity produced by co-generators or small power producers that obtain QF status. The rate a QF receives for the sale of its electricity is generally referred to as the avoided cost and must reflect the incremental cost to an electric utility of electric energy or capacity or both, which, but for the purchase from the QF, such utility would generate itself or purchase from another source.

4. The Commission has authority under PURPA, Sections 201 and 210 and FERC regulations, 18 C.F.R.S 292, to set avoided costs, order electric utilities to enter into fixed-term obligations for the purchase of electricity from QFs, and implement FERC rules.

5. On December 18, 2012, the Commission issued Order No. 32697,¹ which established parameters for published and negotiated avoided cost rate calculations. The Commission further established and defined numerous contract terms and conditions for standard PPAs entered into between regulated utilities and QFs.

6. On January 2, 2013, the Commission issued an Errata to Order No. 32697, which corrected published avoided cost rates to include energy payments not discounted by transmission

¹ *In the Matter of the Commission's Review of PURPA QF Contract Provisions Including the Surrogate Avoided Resource (SAR) and Integrated Resource Planning (IRP) Methodologies for Calculating Avoided Cost Rates*, Case No. GNR-E-11-03.

and line loss. Subsequently the Commission issued reconsideration Orders Nos. 32737 and 32802 on February 5, 2013 and May 5, 2013, respectively, which further clarified certain terms and conditions of PPAs.

7. The Facility is an existing QF that is seeking a one-year extension to the PPA (“Amendment”). The PPA contains energy only payments for the entire term of the Amendment, as an incentive to encourage the Seller to work towards completing the necessary upgrades to receive a transmission interconnection agreement.

8. The Seller’s original PURPA contract was dated July 2, 1984. That PURPA contract was entered into prior to PacifiCorp’s separation of its energy supply and transmission functions as required by federal law and regulations.

9. Therefore, the contract included provisions that addressed both energy sales and interconnection requirements. The current contract expired on March 31, 2021, and the Seller expressed a desire to continue to make sales from the Facility to PacifiCorp consistent with the requirements of PURPA as implemented in the State of Idaho.

10. On January 2, 2020, PacifiCorp sent a letter to the Seller with a transmission interconnection application. On January 31, 2020, the Seller responded to PacifiCorp and another interconnection application was provided on February 3, 2020. An email was sent in March 2020 and the Seller responded in April 2020 stating that they were working on the transmission interconnection application.

11. The Company made several attempts to contact the Seller in October 2020, finally contacting the Georgetown city clerk on October 20, 2020, who identified herself as the Seller’s contact person. A conference call occurred November 5, 2020, with the Company and the Seller

and the transmission voluntary contact consent form and transmission interconnection contact information were emailed to the Seller.

12. Beginning again on January 12, 2021 the Company made several unsuccessful attempts through email, phone and text messages to contact the Seller to ascertain the status of the transmission interconnection application, no response was received. Finally, the Company's Regional Business Manager contacted the County Commissioner, a former Company employee, and resident of Georgetown to arrange a meeting with the Georgetown Irrigation Company's board members. On January 27, 2021 the Company met with the Seller's board and again explained the requirement for the transmission interconnection application. On February 25, 2021, the Company contacted the Seller and was advised that an engineer had been hired to assist with the transmission interconnection application.

13. During this time, the Company contacted Commission staff to discuss its concerns about the lack of progress and possible next steps. Based on prior experience, the Company knew that the Commission did not like to approve QF contract extensions. During this meeting the Company and Staff discussed alternatives that might incent the Seller to work more expediently to finalize the transmission interconnection agreement. One alternative discussed was to offer "energy only rates" for the period of the extension when response was lacking from the Facility owner.

14. The Company prepared the one-year extension to the PPA and emailed the PPA with energy only rates to the Seller on March 5, 2021. At that time the Seller still had not filed a transmission interconnection application. On March 17, 2021, the Seller submitted an incomplete transmission interconnection application.

15. On March 23, 2021, the Company sent the extension agreement with the energy only qualifying facility rate to the Seller. On March 24, 2021, after working with the Company the Seller submitted a complete transmission interconnection application. On March 25, 2021, the Seller provided a signed copy of the extension agreement. The Company executed the agreement on March 30, 2021.

II. AMENDED POWER PURCHASE AGREEMENT

16. The Seller and PacifiCorp are in the process of securing a new stand-alone interconnection agreement that, after all distribution system upgrades are constructed and in-service, will replace the interconnection provisions in the expired PURPA PPA.

17. The Seller has demonstrated to the Company's reasonable satisfaction that: (1) the Facility's net energy will equal the energy delivery schedules for the extended term of this Amendment; and (2) the likelihood that the Facility, under average design conditions, will generate at no more than 0.33 aMW in any calendar month. The Facility's estimated net output over the one-year term is 2,038 megawatt-hours.

18. Until the Seller acquires a transmission interconnection agreement and a new PPA is signed, the Company and the Seller have agreed to a limited one-year PPA, with energy only rates. All other terms of the PPA remain unchanged, the PPA covers April 1, 2021, through March 31, 2022. The PPA can be terminated earlier if the Seller is able to secure the required transmission interconnection agreement and negotiate a new long-term PPA prior to the end of this period.

19. The Amendment, submitted herewith as Attachment 1, complies with the Commission's previous orders, and except as otherwise indicated, the Company will pay the Seller the price set forth in Exhibit A to the Amendment.

20. The Amendment provides that the PPA will not become effective until the Commission has approved it and determined that the prices paid for energy and capacity are just and reasonable, in the public interest, and that costs incurred by the Company for purchasing energy and capacity are legitimate expenses.

III. COMMUNICATIONS

21. Communications regarding this filing should be addressed to:

Ted Weston
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In addition, Rocky Mountain Power requests that all data requests regarding this Application be sent in Microsoft Word to the following:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 Multnomah, Suite 2000
Portland, Oregon 97232

Informal questions may be directed to Ted Weston, Idaho Regulatory Affairs Manager at (801) 220-2963.

IV. MODIFIED PROCEDURE

22. The Company believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing, pursuant to RP 201.

V. REQUEST FOR RELIEF

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission:

(1) Issue an order authorizing that this matter be processed by Modified Procedure; (2) Approve or reject the Amendment to the power purchase agreement between Georgetown Irrigation Company and the Company without change or condition; and (3) Declare that the avoided cost prices set forth in the Amendment are just and reasonable, in the public interest, and that the Company's incurrence of such costs are legitimate expenses.

DATED this 8th day of April, 2021.

Respectfully submitted,
ROCKY MOUNTAIN POWER



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Attorneys for Rocky Mountain Power

Attachment 1

AMENDMENT
to
POWER PURCHASE AGREEMENT
between
GEORGETOWN IRRIGATION COMPANY and
PacifiCorp

This AMENDMENT (the "**Amendment**"), dated March ~~25~~ 2021, amends that certain POWER PURCHASE AGREEMENT between PacifiCorp, an Oregon corporation ("**PacifiCorp**"), and Georgetown Irrigation Company ("**Seller**"), dated July 2, 1984 (as amended, supplemented and modified from time to time, the "**PPA**"). Capitalized terms used but not defined in this Amendment shall have the meaning set forth in the PPA.

RECITALS

- A. The PPA was entered into prior to PacifiCorp's separation of its energy supply and transmission functions as required by federal law and regulations. For this reason, the PPA includes provisions that address both energy sales and interconnection requirements.
- B. The PPA is scheduled to expire by its terms on March 31, 2021, and Seller has expressed a desire to continue to make sales from the Facility to PacifiCorp consistent with the requirements of the federal Public Utility Regulatory Policies Act ("**PURPA**"), as implemented in the State of Idaho.
- C. Seller has demonstrated to PacifiCorp that the Facility remains a "**Qualifying Facility**" as defined by PURPA and as implemented in the State of Idaho.
- D. Seller and PacifiCorp are in the process of securing a new stand-alone interconnection agreement that, once executed and all distribution system upgrades are constructed and in-service, will replace the interconnection provisions in the PPA.
- E. During the period that the necessary distribution system upgrades are being completed, PacifiCorp and Seller have agreed to a limited extension to the term of the PPA, with updated pricing for energy sales during the extended term of the PPA as described below.

AGREEMENT

PacifiCorp and Seller agree as follows.

1. Article 1 of the PPA is amended and restated to read as follows:

"Unless terminated earlier pursuant to the terms of this Agreement, this Agreement shall expire upon the earlier of (i) the effective date of a new power purchase agreement between PacifiCorp and Seller pertaining to the Facility; or (ii) March 31, 2022."

2. Notwithstanding any provision in the PPA to the contrary, for the period beginning April 1, 2021 through the end of the term of the PPA, PacifiCorp shall pay Seller as provided in Exhibit A to this Amendment for the energy output of the Facility delivered to the Point of Delivery as adjusted for Losses.
3. Notwithstanding any provision in the PPA to the contrary, PacifiCorp shall not be responsible to purchase the output of the Facility during periods that the Facility is curtailed due to construction and completion of the distribution system upgrades called for in the final, new stand-alone interconnection agreement between Seller and PacifiCorp's transmission function.
4. This Amendment shall be effective once signed and delivered by both PacifiCorp and Seller and approved by the Idaho Public Utilities Commission.
5. All other terms and provisions of the PPA shall remain unchanged. Each party hereby ratifies and confirms that except as expressly amended hereby, all of the terms, conditions, covenants, representations, warranties and all other provisions of the PPA remain in full force and effect and are binding on such party, including Seller as successor in interest under the PPA.
6. This Amendment shall be governed by and construed in accordance with the laws of the State of Idaho (without reference to its choice of law doctrine).
7. This Amendment may be executed in multiple counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of this Amendment by electronic transmission (in .pdf form) shall be equally as effective as delivery of a manually executed counterpart.

[signature page follows]

IN WITNESS WHEREOF, the parties below have caused this Amendment to be executed in their respective names.

PacifiCorp

By: **Bruce Griswold**
Name: Bruce Griswold
Title: March 30, 2021

Digitally signed by Bruce
Griswold
Date: 2021.03.30 12:14:42 -07'00'

Georgetown Irrigation Company

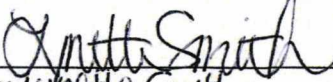
By: 
Name: Lynette Smith
Title: Secretary

EXHIBIT A

Energy Rate

Energy Purchase Price = Energy Annual Rate * Monthly Peak Multiplier

Table 1: Energy Annual Rates

Year	Energy Annual Rate \$/MWh
2021	\$23.83
2022	\$23.90

Table 2: Monthly On-Peak/Off-Peak Multipliers

Month	On-Peak Hours	Off-Peak Hours
January	103%	94%
February	105%	97%
March	95%	80%
April	95%	76%
May	92%	63%
June	94%	65%
July	121%	92%
August	121%	106%
September	109%	99%
October	115%	105%
November	110%	96%
December	129%	120%

Where:

“Off-Peak Hours” means all hours that are not On-Peak Hours.

“On-Peak Hours” means all hours ending 07:00:00 through 22:00:00 MPT, Monday through Saturday, excluding NERC designated holidays.