

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: MATT HUNTER
DEPUTY ATTORNEY GENERAL**

DATE: JUNE 4, 2021

**SUBJECT: IN THE MATTER OF ROCKY MOUNTAIN POWER'S APPLICATION
FOR APPROVAL OR REJECTION OF THE POWER PURCHASE
AGREEMENT BETWEEN PACIFICORP AND DRY CREEK LLC; CASE
NO. PAC-E-21-13.**

On May 11, 2021, Rocky Mountain Power, a division of PacifiCorp, ("Company") applied for consideration of a Power Purchase Agreement ("PPA" or "Agreement") with Dry Creek LLC for energy generated by a 3.4-megawatt hydroelectric facility ("Facility"). Application at 1-2. The Facility is in Butte County, Idaho. *Id.* at Attachment 1. The Facility is a qualifying facility under the Public Utility Regulatory Policies Act of 1978. *Id.* at 3. The PPA's effective date is May 1, 2022. Application, Attachment 3.

THE APPLICATION

The Facility has been delivering energy to the Company in accordance with a power purchase agreement dated May 2, 1986, which expires April 30, 2022. Application at 3. The Company states that the Agreement contains published non-seasonal, non-levelized avoided cost rates for a 20-year term. *See Id.* at Attachment 1. 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 a July 20, 2021, comment deadline and a July 27, 2021, reply comment deadline.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure, setting a July 20, 2021, comment deadline and a July 27, 2021, reply comment deadline?



Matt Hunter
Deputy Attorney General

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