

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. PAC-E-24-01
OF ROCKY MOUNTAIN POWER FOR)	
APPROVAL OF A CAPACITY DEFICIENCY)	ORDER NO. 36246
PERIOD TO BE USED FOR AVOIDED COST)	
CALCULATIONS)	
)	

On January 19, 2024, Rocky Mountain Power, a division of PacifiCorp (“Company”), filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) for approval of the capacity deficiency period determination to be used for Public Utility Regulatory Policies Act of 1978 (“PURPA”) avoided cost rates.

The Company represented that its 2023 Integrated Resource Plan (“IRP”) included the results of the Company’s capacity load and resources without resource additions (“L&R”) for the summer and winter seasons. The Company stated that the capacity balance was generally highest for summer peak loads as the Company was expected to be deficient in the summer prior to becoming deficient in the winter.

The Company represented that after several adjustments, the first capacity deficiency of 1,327 megawatts will occur in the summer of 2024, and the first winter capacity deficiency of 890 megawatts will also occur in 2024. The Company requested that the Commission authorize the summer of 2024 as the first capacity deficiency period when capacity payments should be made to qualified facilities (“QFs”) under the Surrogate Avoided Resource (“SAR”) and IRP avoided cost methodologies.

STAFF COMMENTS

Staff’s review focused on the Company’s compliance with Order No. 35834, the proposed load forecast, and the proposed resources. Based on its review, Staff recommended that the Commission order the Company to file a compliance filing with the following modifications:

1. Break the “Existing – Demand Response” line item into different components with clear labels, such as existing Demand Response (“DR”) programs, growth of existing DR programs, approved future DR programs, and growth of approved future DR programs;
2. Use a 79% PURPA renewal rate for other states;
3. Include all the contract updates as of the date of the compliance filing;
4. Remove all the early coal retirements from the L&R in the compliance filing, if not done so already; and

5. Use the Front Office Transactions (“FOT”) limits of 3326 MW for 2023 through 2027 in the L&R.

COMPANY REPLY COMMENTS

The Company submitted reply comments to address each of Staff’s recommendations. With respect to DR programs, the Company indicated that it has incorporated the proposed change in the compliance filing attached as Attachment A. Company Reply Comments at 2. With respect to PURPA renewal rate, the Company indicated that it has incorporated the proposed change in the compliance filing attached as Attachment A. *Id.*

The Company represented that it provided Staff with an updated version of the load and resource balance that included executed contracts through February 2024, and has incorporated the proposed contract updates in the compliance filing attached as Attachment A. *Id.* at 2-3.

The Company represented that its initial filing included the capacity from all coal-fired resources through their modeled end of life, that is, the latest retirement year considered as a potential alternative in the 2023 IRP. *Id.* at 3. The Company stated that the only retirements prior to 2030 are minority-owned units, with retirement dates identified by the joint owners, and the three smallest units at Dave Johnston, which are the oldest coal plants in the Company’s fleet. *Id.* The Company represented that it believes its initial filing is in compliance with Staff’s recommendation and Order No. 34918. *Id.*

With respect to FTO limits, the Company indicated it has incorporated the proposed change in the compliance filing attached as Attachment A. *Id.*

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, -502, and -503. *Idaho Code* § 61-501 authorizes the Commission to “supervise and regulate every public utility in the state and to do all things necessary to carry out the spirit and intent of the [Public Utilities Law].” *Idaho Code* §§ 61-502 and -503 empower the Commission to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. In addition, the Commission has authority under PURPA and Federal Energy Regulatory Commission (“FERC”) regulations to set avoided costs, to order electric utilities to enter fixed-term obligations for the purchase of energy and capacity from QFs, and to implement FERC rules. The Commission may enter any final order consistent with its authority under Title 61 and PURPA.

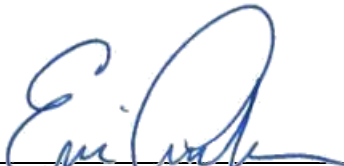
The Commission has reviewed the Application, all submitted materials, and all submitted comments. Based on its review of the record, the Commission finds it reasonable to direct the Company to submit the compliance filing recommended by Staff, with respect to early coal retirements, before approving the Company's updated capacity deficiency date. In keeping with our reasoning in Order No. 34918, the Commission continues to find that unless and until this Commission evaluates and approves an early retirement date, whether or not the Company is a minority owner, it would not be fair, just, or reasonable to approve a capacity deficit date that is unconfirmed and would operate to the detriment of ratepayers.

ORDER

IT IS HEREBY ORDERED that, within twenty-one (21) days, the Company shall submit a compliance filing in conformity with this Order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* §§ 61-626 and 62-619.

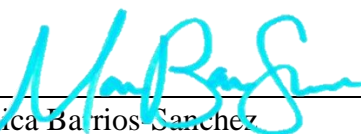
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 2nd day of July 2024.


ERIC ANDERSON, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


EDWARD LODGE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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