

Idaho Public Utilities Commission

Case No. IPC-E-14-12, Order No. 33063; IPC-E-14-15, Order No. 33064

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Idaho Power seeks approval of sales agreements with two PURPA hydroelectric projects

BOISE (July 11, 2014) – Idaho Power Company is seeking state approval of two sales agreement with hydroelectric developers in eastern Idaho and western Montana.

The Idaho Public Utilities Commission is taking comment through July 24 on an application by Eightmile Hydro Corporation for generation from a 360-kilowatt hydroelectric facility near Leadore. The agreement is for 20 years and the scheduled operation date is August 30.

The price Idaho Power would pay for the generation is determined by the commission under the provisions of the Public Utility Regulatory Policies Act (PURPA). The federal act requires utilities to buy from qualified small-power projects at a rate that is to be equal to the cost the utility avoids by not generating the power itself or buying it from another source.

The proposed contract is for a non-levelized rate that gradually increases throughout the life of the 20-year agreement. The 2014 rate is about \$55.79 per megawatt-hour, increasing to a 2033 rate of \$108.89 per MWh. The rate is adjusted to account for heavy and light load seasons and hours.

The owners of the project are Jordan and Susan Whittaker of Leadore.

Comments for this project are due to the commission by no later than July 24.

The second agreement is for the much larger 7.55 MW Clark Canyon Hydro project near Dillon, Mont. The scheduled operation date is June 1, 2017. This project is a seasonal project, which means it will generate most of its energy during the summer months. It can generate during off-season months but would be paid a lower rate.

Idaho Power had reached an agreement with a smaller version (4.7 MW) of this project earlier, but the project was not able to meet its December 2013 operation date. The new agreement provides for Idaho Power collection of liquidated damages in connection with the earlier agreement.

Clark Canyon Hydro is also a PURPA project. The parties have agreed to share 50-50 the revenue from the renewable energy credits associated with the project.

The non-levelized rate for the proposed project is \$84.53 per MWh beginning in 2017 and gradually increasing to \$149.32 per MWh in 2037. The rate is adjusted to account for heavy and light load seasons and hours.

The owner of the project is Peter Clermont of Toronto-based Aquila Infrastructure Management. Public comments for this project are due Aug. 5.

Comments are accepted via e-mail through by accessing the commission's homepage at www.puc.idaho.gov and clicking on "Case Comment Form," under the "Electric" heading. Fill in the case number (IPC-E-14-12 for Eightmile Hydro and IPC-E-14-15 for Clark Canyon Hydro) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

A full text of the commission's orders, along with other documents related to these cases, is available on the commission's Web site under the above case numbers.

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