

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION OF** )  
**PACIFICORP DBA ROCKY MOUNTAIN** ) **CASE NO. PAC-E-11-08**  
**POWER FOR APPROVAL OF A FIRM** )  
**ENERGY SALES AGREEMENT BETWEEN** ) **NOTICE OF APPLICATION**  
**IDAHO POWER AND CARGILL, INC.** )  
) **NOTICE OF**  
) **MODIFIED PROCEDURE**  
) **ORDER NO. 32202**

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On February 16, 2011, PacifiCorp dba Rocky Mountain Power filed an Application requesting approval of a 10-year Firm Energy Sales Agreement (Agreement) between Rocky Mountain Power and Cargill, Inc. The project (Facility) is located in Jefferson County, Idaho. The project will be a “qualifying facility” (QF) under the applicable provisions of the federal PURPA.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that, on February 8, 2011, Rocky Mountain Power and Cargill entered into an Agreement. Cargill intends to own, operate and maintain a biogas-fueled digester generating facility for the generation of electric power. Under the terms of the Agreement, the Facility agrees to sell electric energy to Rocky Mountain Power for a 10-year term using the current non-levelized published avoided cost rates as currently established by the Commission in Order No. 31025 for energy deliveries of less than 10 aMW. Application at 2. The nameplate rating of the Facility is 1.696 MW. Under normal and/or average conditions, the Facility will not exceed 10 aMW on a monthly basis. Should the Facility exceed 10 aMW on a monthly basis, Rocky Mountain Power will accept the energy, but will not purchase or pay for the inadvertent energy. Agreement ¶ 6.6.

***A. The Agreement***

YOU ARE FURTHER NOTIFIED that the Facility has selected seven days from the service date of the Commission’s Order approving the Agreement as its Scheduled Commercial Operation Date. Application at 3. Rocky Mountain Power asserts that various requirements have been placed upon the Facility in order for Rocky Mountain Power to accept the Facility’s energy deliveries. Rocky Mountain Power states that it will monitor the Facility’s compliance

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with initial and ongoing requirements through the term of the Agreement. The parties have agreed to delay liquidated damages and security provisions. Agreement ¶¶ 2.4.1, 10.1. Rocky Mountain Power states that the Facility has also been made aware of and accepted the provisions in the Agreement regarding curtailment or disconnection of the Facility should certain operating conditions develop on Rocky Mountain Power's system. Agreement ¶ 6.3.

YOU ARE FURTHER NOTIFIED that, by its own terms, the Agreement will not become effective until the Commission has approved all of the terms and conditions and declares that all payments made by Rocky Mountain Power to the Facility for purchases of energy "are just and reasonable, in the public interest, and that the costs incurred by [Rocky Mountain Power] for purchases of capacity and energy from [Cargill] are legitimate expenses, all of which the Commission will allow [Rocky Mountain Power] to recover in rates in Idaho in the event other jurisdictions deny recovery of their proportionate share of said expenses." Agreement ¶ 2.1.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing for this Application and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on the Application may file a written comment in support or opposition with the Commission **no later than April 7, 2011**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning the Application shall be mailed to the Commission and Rocky Mountain Power at the addresses reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5918

Daniel E. Solander  
Rocky Mountain Power  
201 South Main, Suite 2300  
Salt Lake City, UT 84111  
E-Mail: [daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com)

Ted Weston  
Rocky Mountain Power  
201 South Main, Suite 2300  
Salt Lake City, UT 84111  
E-Mail: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)

Comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to Rocky Mountain Power at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that Rocky Mountain Power may file reply comments (if necessary) **no later than April 14, 2011**.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider the Application on its merits and enter an Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in these cases will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and the Public Utility Regulatory Policies Act of 1978 (PURPA). The Commission has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (FERC) to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from qualified facilities and to implement FERC rules.


YOU ARE FURTHER NOTIFIED that all proceedings regarding the Application will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

**ORDER**


IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Interested persons and the parties may file written comments no later than April 7, 2011.

IT IS FURTHER ORDERED that Rocky Mountain Power may file reply comments no later than April 14, 2011.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 10<sup>th</sup> day of March 2011.

  
JIM D. KEMPTON, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
MACK A. REDFORD, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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