DECISION MEMORANDUM

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

FROM: **DAPHNE J. HUANG**
DEPUTY ATTORNEY GENERAL

DATE: **NOVEMBER 2, 2016**

SUBJECT: **IDAHO POWER'S APPLICATION TO APPROVE ESA WITH SHOSHONE HYDRO, L.P., CASE NO. IPC-E-16-27**

On November 1, 2016, Idaho Power Company filed an Application seeking approval of its Energy Sales Agreement (ESA) with Shoshone Hydro, L.P. Application at 1. The ESA would replace an existing agreement, first approved by the Commission in 1981. *Id.* at 2. Under the ESA, Idaho Power buys, and Shoshone Hydro sells, electric energy generated by the Shoshone Hydro project (Facility) located near Shoshone, Idaho. *Id.* at 1. The Facility is an existing "qualifying facility" (QF) under the Public Utility Regulatory Policies Act (PURPA). *Id.* at 2. The proposed ESA, signed by the contracting parties on October 31, 2016, is a replacement contract with a 20-year term and non-levelized, non-seasonal, hydro published avoided cost rates for replacement contracts, and for energy deliveries of less than 10 average megawatts. *Id.* at 2-4. Idaho Power asks that the Application be processed under Modified Procedure, with which Staff agrees.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure with a 21-day comment period followed by a 14-day period for the Company reply?

Daphne Huang
Deputy Attorney General

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