

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT)	
APPLICATION OF AVISTA CORPORATION)	CASE NO. AVU-E-16-08
AND STIMSON LUMBER COMPANY TO)	
APPROVE THE FIRST AMENDMENT TO)	NOTICE OF APPLICATION
THEIR POWER PURCHASE AGREEMENT)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 33643

On October 24, 2016, Avista Corporation and Stimson Lumber Company filed a joint Application asking the Commission to approve the First Amendment to their Power Purchase and Sale Agreement ("Agreement"). The Amendment extends the term of the Agreement, set to expire January 14, 2017, to December 31, 2019. The Application does not propose how it should be processed. However, Staff recommended that it be processed by Modified Procedure with a 21-day comment period.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that, under the existing Agreement, approved by the Commission in 2007, Stimson sells, and Avista purchases, electric power generated by Stimson's thermal wood waste small power electric generation plant in Plummer, Idaho. Application at 3; Order No. 32436 at 1. Stimson's plant is a qualifying facility (QF) under the Public Utility Regulatory Policies Act (PURPA), capable of generating up to 6.5 megawatts (MW) of energy. Order No. 32436 at 1.

YOU ARE FURTHER NOTIFIED that the current Agreement is set to expire January 14, 2017. Application at 3. Under the Amendment, Avista and Stimson agree to extend the term of the Agreement through December 31, 2019, using applicable Idaho rates as in effect June 15, 2016. Application at 3-4; Attachment A to Amendment.

YOU ARE FURTHER NOTIFIED that Avista and Stimson ask that the Commission issue an Order with an effective date of January 15, 2017, and find that all payments made by Avista for energy purchases under the Agreement be allowed as prudently incurred expenses for ratemaking purposes.

NOTICE OF APPLICATION
NOTICE OF MODIFIED PROCEDURE
ORDER NO. 33643

YOU ARE FURTHER NOTIFIED that the Application and its attachments have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and attachments are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to "Open Electric Cases," and then click on the case number as shown on the front of this document.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201-204. 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 this Application may file a written comment in support or in opposition with the Commission **within 21 days from the service date of this Order**. 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 this Application may be mailed to the Commission, Avista, and Stimson Lumber 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 St.
Boise, ID 83702-5918

Avista Corporation

Steve Silkworth, Manager, Wholesale
Marketing and Contracts

Michael G. Andrea, Senior Counsel
Avista Corporation

1411 E. Mission Avenue
Spokane, WA 99202

E-Mail: steve.silkworth@avistacorp.com
michael.andrea@avistacorp.com

Stimson Lumber Company

Lisa Zentner, Purchasing Manager

Daniel McFall, COO/CFO

Stimson Lumber Company

520 SW Yamhill, Suite 700

Portland, OR 97204

E-Mail: lzentner@stimsonlumber.com

These 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. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the form using the case number as it appears on the front of this document. These comments must also be sent to Avista and Stimson Lumber at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Applicants may file reply comments, if necessary, **no later than 28 days from the service date of this Order.**

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its 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.

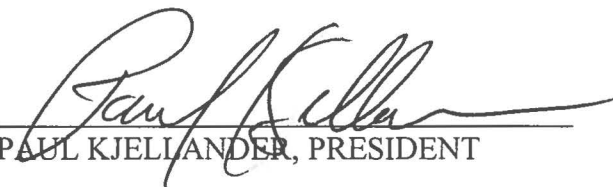
YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code, and specifically *Idaho Code* § 61-503. The Commission has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (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. The Commission may enter any final Order consistent with its authority under Title 61 and PURPA.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter 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 21 days from the service date of this Order. The Applicants may file replies no later than 28 days from the service date of this Order.

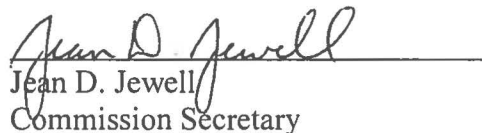
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 10th
day of November 2016.


PAUL KJELLANDER, PRESIDENT


KRISTINE RAPER, COMMISSIONER


ERIC ANDERSON, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

O:AVU-E-16-08_djh