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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT PETITION)	CASE NO. GNR-E-08-02
TO APPROVE A STIPULATION TO)	
ADJUST PUBLISHED AVOIDED COST)	ANSWER OF IDAHO
RATES)	WINDFARMS, LLC TO ROCKY
)	MOUNTAIN POWER'S MOTION
)	TO CONTINUE
)	
ANNUAL ADJUSTMENT TO AVOIDED)	CASE NO. GNR-E-09-01
COST RATES)	
_____)	

Idaho Windfarms, LLC ("IWF") is a greenfield wind energy developer in Idaho and has successfully developed the Bennett Creek and Hot Springs Windfarms near Mountain Home. IWF was an active participant in the workshops on avoided cost assumptions and was a party to the resulting stipulation agreement.

IWF wishes to thank Staff and Idaho Power for fully honoring the process and their commitments in the stipulation agreement.

We also thank Avista for kinda, sorta, mostly honoring their commitment. As to their comments, we would note that although the final Northwest Power and Conservation Council (the "NWPCC" or "Council") assumption on capital costs is higher than the stipulation, the fixed and variable O&M assumptions are lower. It isn't appropriate to cherry pick assumptions. Also, the mechanism for incorporating final NWPCC assumptions into avoided costs was part of the stipulation agreement.

Now we come to Rocky Mountain Power. Their Motion to Continue represents bad faith. Less than four months ago, they willingly signed the stipulation

agreement, which included the statement, "The Parties also expect the Council to issue new forecasts of fuel-related SAR costs this year (2008)" (Paragraph 7). Now they are reneging. Their argument is that the NWPCC forecast that was approved less than two months ago is out of date. However, the forecast was known to all parties at the time. In fact, Staff circulated projected avoided costs based on this forecast prior to the agreement. These projected values were essentially the same as the ones proposed in these proceedings.

In addition, the appropriateness of the Council's gas forecast was specifically addressed during the negotiations. IWF raised the issue itself. Our concern was that the forecast is not produced on a scheduled basis. Both Staff and the utilities said that this issue was settled in Order No. 29029 issued on May 21, 2002. Therefore, the workshop was limited to updating non-fuel assumptions. We would note that since the last avoided cost update, Rocky Mountain Power has never once petitioned the Commission because the forecast was out of date and too low.

In Case No. IPC-E-07-15 regarding the methodology for modeling fuel costs, Rocky Mountain Power made the following comment:

"The Company believes, however, that the correct and ultimate procedure for fuel cost calculation in the SAR methodology should use NWPCC's final 2007 median 20-year natural price forecast ..."
(emphasis added).

Sadly, IWF will end it's comments in these proceedings by simply restating it's comments in the above case. The editing changes were intentionally left in to emphasize how little things have changed:

"Since (the Commission) issued Order No. 29029 on May 21, 2002, which re-established long term contracts for PURPA projects, the wind industry has had to fight one regulatory battle after another. It has addressed the issues of firm energy (90/110 Performance Band), integration costs, ~~and~~ transmission system upgrades, fuel forecast modeling and non-fuel cost assumptions. In the more than six five years since the Commission's decision to move forward with PURPA

projects, wind projects have effectively only had access to Published Prices for six months.

Now, on the eve of completing the latest 16 month ~~two-year~~ suspension to resolve the non-fuel integration cost issue, Rocky Mountain Power ~~Idaho Power~~ raises yet another new issue. The continuous regulatory delays are simply killing the wind industry in Idaho and costing the ratepayers real money. IWF hopes the Commission sees through this attempt to continue the suspension of PURPA wind projects ...” (Additions are underlined and deletions have strikethroughs)

Respectfully submitted this 20th day of February, 2009:

By


Glenn Ikemoto, Authorized Manager
Idaho windfarms, LLC

CERTIFICATE OF SERVICE

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I hereby certify that on the 20th day of February, 2009, true and correct copies of the COMMENTS OF IDAHO WINDFARMS, LLC were delivered by U.S. Mail to:

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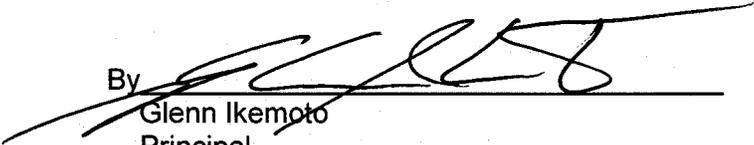
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