

Jean Jewell

From: rick@whispermountain.net
Sent: Friday, December 17, 2010 3:40 AM
To: Jean Jewell; Beverly Barker; Gene Fadness
Subject: PUC Comment Form

A Comment from Rick Fawcett / William Frederiksen follows:

Case Number: GNR-E-10-04
Name: Rick Fawcett / William Frederiksen
Address: P.O. Box 131
City: Dubois
State: Idaho
Zip: 83423
Daytime Telephone:
Contact E-Mail: rick@whispermountain.net Name of Utility Company: Rocky Mountain Power
Acknowledge: acknowledge

Please describe your comment briefly:

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT PETITION OF IDAHO POWER COMPANY, AVISTA CORPORATION, AND PACIFICORP DBA ROCKY MOUNTAIN POWER TO ADDRESS AVOIDED COST ISSUES AND TO ADJUST THE PUBLISHED AVOIDED COST RATE ELIGIBILITY CAP.

Case No. GNR-E-10-04

NOTICE OF JOINT PETITION
NOTICE OF MODIFIED PROCEDURE
NOTICE OF INTERVENTION DEADLINE
NOTICE OF ORAL ARGUMENT
ORDER NO. 32131

Written Comments of the Eastern Idaho Regional Solid Waste District

The Eastern Idaho Regional Solid Waste District ("District") is a political subdivision of the State of Idaho formed by Clark, Bonneville, and Madison Counties who have the responsibility for establishing, maintaining and operating a solid waste disposal system pursuant to Idaho Code 31-4401, et seq.

The legislature of the State of Idaho has found and declared, pursuant to Idaho Code 31-4901, et seq., that the disposal of solid waste within the State of Idaho is an important public purpose, and that the creation of independent regional districts to administer solid waste disposal is an efficient and cost-effective method of meeting the state's solid waste disposal needs.

The District has proposed to construct a waste-to-energy facility located in the service territory of Rocky Mountain Power to meet these objectives.

The District has submitted an application for a Qualified Facility (QF) contract to PacifiCorp (dba Rocky Mountain Power) on August 25, 2010, and has reviewed terms and conditions offered by PacifiCorp for a project whose generation is expected to exceed 10 aMW per month.

The District has submitted a revised application for a QF contract applicable to a non-fueled project smaller than 10 megawatts as described in IPUC Order 29632 on November 26, 2010. The District took these actions with the expectation of qualifying for posted avoided cost rates applicable to a project whose generation is expected to be less than 10 aMW per month as published by the Commission on March 15, 2010.

Statement of Position

The Eastern Idaho Regional Solid Waste District ("District") opposes the Joint Utilities Petition to "lower the published avoided cost rate eligibility cap from 10 aMW to 100 kW (to be effective immediately.)"

The District supports the position of the Milk Producers, Simplot, and the Coalition parties to this proceeding that any lowering of the eligibility cap should not apply to non-wind QFs.

In its deliberations, the District asks the Commission to take note of the following action items contained in PacifiCorp's 2008 Update to its Integrated Resource Plan published on March 31, 2010:

- Implement a bridging strategy to support acquisition deferral of long-term intermediate/base load resources in the east control area (emphasis added) until the beginning of summer 2015, ... (Item 2, Firm Market Purchases, 2010 - 2019, Table ES.2 - IRP Action Plan Update)

This action item specifically calls for the acquisition of 200 MW of long-term power purchases (presumably in the east control area comprising Idaho and Utah), and specifically references PURPA QF contracts in this regard.

The March 31, 2010 IRP update also calls for PacifiCorp (dba Rocky Mountain Power) to proceed with the following action item:

- Procure through acquisition and/or company construction long-term firm capacity and energy resources for commercial service in the 2012 - 2016 time frame (Item 3, Peaking/Intermediate/ Base-load Supply-side Resources, Table ES.2 - IRP Action Plan Update)

The IRP states that the proxy resource in PacifiCorp's 2010 Business Plan consists of a Utah wet-cooled gas combined cycle plant with a capacity rating of 607 MW, acquired by the summer of 2015.

The District notes that Idaho Power Company has a gas resource under construction that is substantially similar to the proxy resource contained in PacifiCorp's 2010 Business Plan. The District request that the Commission ask these utilities to clarify the amount of costs associated with these resources that each utility plans to recover through rates in the State of Idaho for these resources. The Commission and parties to this proceeding could then compare the projected costs on a Mwh basis with the posted avoided cost currently applicable to a QF expected to generate less than 10 aMW per month.

The District believes that lowering the threshold for eligibility for posted avoided cost pricing will result in few if any projects being developed over the next several years, with the result that the utilities serving Idaho will not defer their plans to procure through acquisition and/or construction long-term firm capacity and energy resources, which will eventually cost Idaho consumers more than would the QF projects that could have been built instead.

The Commission's attention to these comments is appreciated.

Sincerely,

William Frederiksen
President, Eastern Idaho Solid Waste District

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>
IP address is 70.41.228.178
