

American Falls Reservoir District No. 2

409 North Apple Street

Shoshone, Idaho 83352

Tel. (208) 886-2331 Fax (208) 886-2010

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2010 DEC 21 AM 8:14

IDAHO PUBLIC
UTILITIES COMMISSION

December 17, 2010

**Commissioner
Idaho Public Utilities Commission**

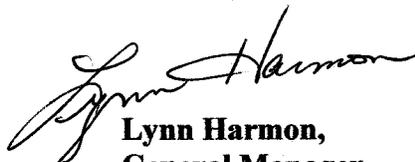
**Re: Case No. GNR-E-10-04 Joint Petition to Address Avoided Cost Issues and
Joint Motion to Adjust and Publish Cost Rate Eligibility Cap**

Dear Commissioner:

I am writing this letter in opposition to the Petition as it relates to small hydropower in the State of Idaho. We currently own and operate 3 hydro plants within our irrigation project and have since 1983. We feel that the current methodology for avoided cost and the eligibility up to 10,000 Kilowatts needs to be continued for QF hydro in the state of Idaho. We plan to develop at least one additional hydro plant and are pursuing a license for this project in anticipation of having a market through the avoided cost rates set forth by the Idaho Public Utilities Commission. Small Hydro has none of the issues related to intermittency of wind and therefore, should not be included with wind considerations. We believe that small hydro should be allowed to continue under the existing avoided cost methodology.

Please take this into account when considering this case.

Sincerely,


**Lynn Harmon,
General Manager**



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IDAHO PUBLIC
UTILITIES COMMISSION

P.O. Box 720 Parma, Idaho 83660
Office 208-722-6731 Fax 208-722-6736

December 20, 2010

Jean Jewell
Commission Secretary
Idaho Power Utilities Commission
472 West Washington
Boise, Idaho 83702

RE: Case No GNR-E-10-04 Joint Petition to reduce the Available Avoided Cost from
10,000 Kilowatts to 1,000 Kilowatts

Dear Commissioners:

This letter is written to request that the current methodology for avoided costs and the current eligibility up to 10,000 Kilowatts be continued for QF hydro in the state of Idaho. The rates available for small Hydropower have been in place since 1981-1982 and have resulted in a moderate amount of small hydro being developed in the State of Idaho. The Hydro's are distributed primarily throughout southern Idaho associated with irrigation facilities. This distributed generation has resulted in clean renewable resource being developed utilizing irrigation water and providing an economic return to the agricultural base of Idaho. I have completed 2 small hydro facilities in Ada and Canyon counties. I have one in process for construction this year and several more in various phases of development over the next couple of years. These small hydro projects are favorable only with the current avoided cost structure set by the Idaho Public Utilities Commission. The kilowatt size of these sites is: 1500kw, 450kw, 980kw. The other Hydro sites in development are in the same size range up to 3000kw. While I recognize the problems associated with wind, I do not believe they should impact small hydro who has not tried to manipulate the current commission ruling. Therefore, we respectfully request of the commission the following:

1. That the maximum eligible rates for Hydro be continued at 10,000 kilowatts
2. The avoided cost model of the natural gas-fired plant is a non-renewable energy resource. We strongly believe that ownership of any environmental attributes or Renewable Energy Credits "REC's" be associated with power sales by small Hydro be owned by the developer of the project. We request PUC concurrence.

Thank you for taking this information into account when considering this case.

Respectfully

A handwritten signature in black ink, appearing to read "Dennis Daugherty", written over a horizontal line.

Dennis Daugherty
Riverside Inc.
Parma, Idaho

Jean Jewell

From: whatnot@frontier.com
Sent: Monday, December 20, 2010 11:14 AM
To: Jean Jewell; Beverly Barker; Gene Fadness
Subject: PUC Comment Form

A Comment from Richard Kershner follows:

Case Number: about purpa 1978
Name: Richard Kershner
Address: 9588 Hardtrigger rd
City: Melba
State: Idaho
Zip: 83641
Daytime Telephone: [208] 896-4554
Contact E-Mail: whatnot@frontier.com
Name of Utility Company: Idaho Power,Avista,Rocky Mountain Power
Acknowledge: acknowledge

Please describe your comment briefly:

Idaho has been stuck in the mud about Alternative energy.Now we have a chance to get going on it.The above co are trying to keep us in the mud.They are the same people saying this willnot work.This is a ideal time to move ahead like the 1978 law intended.That law would of worked then.It will work now,30+years late.We would be years ahead if we had done it then because R&D would of moved ahead faster.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>
IP address is 74.36.211.67
