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UTILITIES COMMISSION

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE
COMMISSION'S INVESTIGATION
INTO DISAGGREGATION AND AN
APPROPRIATE PUBLISHED
AVOIDED COST RATE ELIGIBILITY
CAP STRUCTURE

Case No. GNR-E-11-01

**MOTION TO STRIKE PORTIONS OF
THE DIRECT TESTIMONY OF CLINT
KALICH**

COMES NOW The Renewable Northwest Project (RNP), and moves the Commission for an Order striking portions of the Pre-Filed Direct Testimony of Clint Kalich filed on behalf of Avista Corporation for the reasons set forth below:

Introduction

Commission Order No. 32195, which initiated this proceeding, contains within it a Notice of Inquiry (Notice), identifying the issues the Commission wishes to consider in this phase of what may be a longer examination of issues relating the PURPA implementation in Idaho.

MOTION TO STRIKE PORTIONS OF THE DIRECT TESTIMONY OF CLINT KALICH -1

The Notice identifies the scope of this proceeding as follows:

“YOU ARE FURTHER NOTIFIED that the Commission seeks information regarding criteria within which small wind and solar QFs can obtain a published avoided cost rate without allowing large QFs to obtain a rate that is not an accurate reflection of a utility's avoided cost for such projects. Specifically, the Commission solicits information and investigation of a published avoided cost rate eligibility cap structure that: (1) allows small wind and solar QFs to avail themselves of published rates for projects producing 10 aMW or less; and (2) prevents large QFs from disaggregating in order to obtain a published avoided cost rate that exceeds a utility avoided cost. (Notice pg. 3).

The Direct Testimony of Commission Staff correctly understands and identifies the scope of the current proceeding. Staff Witness Sterling states as follows:

“My testimony will be very narrowly focused.

Specifically, Order No. 32195 states, "(T) he Commission solicits information and investigation of a published avoided cost rate eligibility cap structure that: (1) allows small wind and solar QFs to avail themselves of published rates for projects producing 10 aMW or less and (2) prevents large QFs from disaggregating in order to obtain a published avoided cost rate that exceeds a utility's avoided cost." Reference Order No. 32195 at 3.

Therefore, my intent is to address only these two identified issues. Issues related to the appropriateness or accuracy of either the Surrogate Avoided Resource methodology (SAR methodology) or the Integrated Resource Plan methodology (IRP Methodology) will be addressed in subsequent proceedings. (Sterling Direct, pg. 5, Line 16—Pg. 6, Line 6).”

As explained in more detail below, with the exception of a few pages of text, almost the entirety of Mr. Kalich's forty-two pages of testimony is aimed at issues that have been reserved for review in subsequent proceedings.

Further, on March 23, 2011, the Commission issued its “Bench Order” in response to a Motion filed by PacifiCorp seeking to prevent, or delay discovery, propounded by an intervenor on IRP methodology issues. The Commission said, “Thus, we find that evidence regarding the IRP Methodology is beyond the scope of the present case and thus is not relevant to the subject matter of the pending case. I.R.P.C. 26(b)(1). Consequently, we find that it is reasonable for

MOTION TO STRIKE PORTIONS OF THE DIRECT TESTIMONY OF CLINT KALICH -2

parties to stay answering discovery requests regarding the IRP Methodology.” (Bench Order Pgs. 1-2). We request that the Commission limit testimony in a manner consistent with its limitation on discovery and with the narrow scope established by Order No. 32195.

Motion

Specifically, the following portions of Mr. Kalich’s testimony should be stricken on the grounds that they are outside the scope of the present phase of the proceeding:

- **Pg. 5, Line 1 through Pg. 9, Line 23:**

This section of testimony argues that the current published avoided cost rates are too high for variable energy resources, from the utility perspective. Accordingly, it is beyond the scope of issues identified for consideration in this proceeding.

- **Pg. 10, Line 20 through Pg. 22, Line 10:**

This section of text argues that current published avoided costs result in exorbitant profits for wind developers. Accordingly, it is beyond the scope of issues identified for consideration in this proceeding.

- **Pg. 22, Line 11 through Pg. 24, Line 19:**

This section of text argues that an IRP methodology is more appropriate. Accordingly, it is beyond the scope of issues identified for consideration in this proceeding.

- **Pg. 24, Line 20 through Pg. 25 Line 19:**

This section of text argues that PURPA rates have negatively impacted Avista’s customers. Accordingly, it is beyond the scope of issues identified for consideration in this proceeding.

- **Pg. 25, Line 20 through Pg. 30, Line 2:**

This section of text argues that the utility's need for resources should be reflected in avoided costs. Accordingly, it is beyond the scope of issues identified for consideration in this proceeding.

- **Pg. 34, Line 10 through Pg. 41, Line 17:**

This section of text argues that setting the eligibility cap at 100KW is the better solution. As noted above, Commission Order No. 32195, initiating this proceeding, sought information on possible ways single PURPA projects of up to 10 aMW could receive published rates while preventing disaggregation of larger projects. The Notice did not invite parties to reargue the theory that 100KW is a better cap for rate eligibility purposes. Accordingly this section of text is beyond the scope of issues identified for consideration in this proceeding.

- **Exhibit 101**

This exhibit describes generation patterns of a photovoltaic solar facility installed at the Avista corporate headquarters. The generation patterns of that facility are irrelevant to the issues identified in the Notice, and accordingly this exhibit is beyond the scope of issues identified for consideration in this proceeding

Conclusion

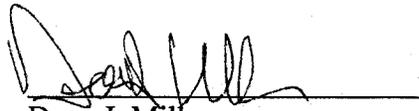
For the reasons and authorities cited herein, RNP respectfully requests that the Commission enter its order striking the portions of Witness Kalich's testimony identified above.

Notice of Hearing

RNP will bring this Motion to Strike on for hearing before the Commission on the 10th day of May, 2011, at the hour of 9:30 a.m.

DATED this 13 day of April, 2011.

MCDEVITT & MILLER, LLP

A handwritten signature in black ink, appearing to read "Dean J. Miller", is written over a solid horizontal line.

Dean J. Miller

Attorney for Renewable Northwest Project

CERTIFICATE OF SERVICE

I hereby certify that on the 13th day of April, 2011, I caused to be served, via the method(s) indicated below, true and correct copies of the foregoing document, upon:

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