

RECEIVED  
FILED



2005 JUL 15 PM 4:33

IDAHO PUBLIC  
UTILITIES COMMISSION

BARTON L. KLINE, ISB # 1526  
MONICA B. MOEN, ISB # 5734  
Idaho Power Company  
1221 West Idaho Street  
P. O. Box 70  
Boise, Idaho 83707  
Telephone: (208) 388-2682  
FAX: (208) 388-6936  
E-mail: [BKline@idahopower.com](mailto:BKline@idahopower.com)  
[MMoen@idahopower.com](mailto:MMoen@idahopower.com)

Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION OF	)	
IDAHO POWER COMPANY FOR AN	)	CASE NO. IPC-E-05-22
ORDER TEMPORARILY SUSPENDING	)	
IDAHO POWER'S PURPA OBLIGATION	)	BRIEF OF IDAHO POWER
TO ENTER INTO CONTRACTS TO	)	COMPANY
PURCHASE ENERGY GENERATED BY	)	
WIND-POWERED SMALL POWER	)	
PRODUCTION FACILITIES.	)	
_____	)	

I.

INTRODUCTION

On June 17, 2005, Idaho Power Company ("Idaho Power" or the "Company") filed a Petition with the Idaho Public Utilities Commission ("IPUC" or the "Commission") requesting that the Commission issue its order temporarily suspending Idaho Power's obligations under §§ 201 and 210 of the Public Utility Regulatory Policies Act of 1978 ("PURPA") and various Commission orders to enter into new contracts to

purchase energy generated by qualifying wind-powered small power production facilities (“QFs” or “qualifying facilities”).

As set out in its Petition in this matter, Idaho Power requests this temporary suspension of its obligations to purchase energy produced by wind-powered QFs for a sufficient period of time to allow the Commission to investigate the impacts on Idaho Power’s customers arising out of the substantial amounts of wind-powered generation projects that have either been approved by the Commission or that are proposed by wind developers since approval of Commission Order No. 29646 issued on December 1, 2004 in Case No. IPC-E-04-25 in which the Commission established the current avoided cost purchase rates (“avoided cost rates”).<sup>1</sup>

Idaho Power hereby submits its brief in support of its Petition for the temporary suspension of its obligations under §§ 201 and 210 of PURPA to permit an analysis of the impact of substantial amounts of wind-generated QF development on the Company’s electrical system.

## **II.**

### **CONGRESSIONAL AND REGULATORY HISTORY OF PURPA**

Congress enacted PURPA in 1978 as part of a package of legislation designed to address a nationwide energy crisis. Pub. L. 95-617, 92 Stat. 3117 (1978). Under PURPA §§ 201 and 210, electric utilities are required to purchase power produced by cogenerators or small power producers that obtain qualifying facility status. 16 U.S.C. § 824a-3(a), (b), (d) (1994). Under PURPA § 210(b), the rates to be paid for

---

<sup>1</sup> As noted in the Petition in this proceeding, the suspension which Idaho Power requests would not affect new contracts between Idaho Power and QFs that propose utilizing technologies other than wind power.

such power shall not exceed “the incremental cost to the electric utility of alternative electric energy.” 16 U.S.C. § 824a-3(b) (1994).

Pursuant to congressional directive, the Federal Energy Regulatory Commission (“FERC”) promulgated rules implementing §§ 201 and 210 of PURPA. Under FERC rules, the rate a qualifying facility is to receive for the sale of its power is generally referred to as the avoided cost rate; that is, the incremental cost to an electrical utility of electric energy or capacity or both which, but for the purchase from the qualifying facility, such utility would generate itself or purchase from another source. 18 C.F.R. 101(b)(6) (1996). PURPA § 210(b) and related FERC regulations provide that the rates for QF purchases “(1) be just and reasonable to the electric consumers of the electric utility and in the public interest, and (2) shall not discriminate against qualifying cogenerators or qualifying small power producers.” 16 U.S.C. § 824a-3(b) (1994). Under FERC’s rules, “no utility is required to pay more than its avoided cost for purchases from qualifying facilities.” 43 FERC ¶ 61,067, 61,186 (1988)(citing 18 C.F.R. § 292.401 (1987)).

While the FERC regulations promulgated the PURPA requirements, FERC left implementation of those requirements to the regulatory authorities of the individual states. 16 U.S.C. § 824a-3(f)(1) (1994). *See also, A.W. Brown Co., Inc. v. Idaho Power Co.*, 121 Idaho 812, 814, 828 P.2d 841, 843 (1992). The states’ role in implementing PURPA includes the responsibility to determine avoided cost rates. *Id.* In response to these FERC and PURPA requirements, the IPUC established regulations and rates under which Idaho utilities are to purchase power from qualifying facilities.

### III.

#### IMPACT OF PURPA REGULATORY ACTIONS ON IDAHO POWER COMPANY

On September 26, 2002, in conformance with the FERC regulations implementing PURPA, the IPUC issued Order No. 29124 in which the Commission set the avoided cost rate at approximately \$49 per MWh for a 20-year contract for energy purchases from qualifying facilities that would come on-line in 2003 (Case No. GNR-E-02-1). In Order No. 29646 issued on December 1, 2004 in Case No. IPC-E-04-25, the Commission established the current avoided cost rate that Idaho Power is legally obligated to offer QFs that do not generate more than 10 average MW per month. The current levelized avoided cost rate for 20-year QF contracts coming on-line in 2006, as established by Order No. 29646, is approximately \$61 per MWh or about 25% higher than the average levelized avoided cost rate in effect in 2003.

Prior to the issuance of Order No. 29646, Idaho Power had less than 1 MW of QF wind-powered generation under contract. Since issuance of Order No. 29646 less than seven months ago, Idaho Power has received approval from the Commission for QF wind contracts with a total nameplate capacity of 82.5 MW, an exponential increase in wind-generated electrical production on the Company's system.<sup>2</sup>

The Company has also been contacted by wind developers intending to pursue new QF projects with a nameplate capacity of 193 MW of wind-generated

---

<sup>2</sup> At the time the Company's Petition was filed with the Commission, Idaho Power received IPUC approval for QF wind contracts with a total nameplate capacity of 61.5 MW; at the same time, applications for approval of contracts representing 21 MW of wind energy were pending before the Commission for approval. Those pending applications have subsequently been approved by the Commission.

electricity.<sup>3</sup> Furthermore, in response to its 2004 Integrated Resources Plan ("IRP") that was accepted by the Commission in Order No. 29762 issued on April 22, 2005, the Company issued a Request for Proposals ("RFP") for 200 MW of wind-powered resource on January 13, 2005.<sup>4</sup> The bids received, on average, propose prices of approximately \$55 per MWh, 28% higher than the cost anticipated in the 2004 IRP.<sup>5</sup>

Furthermore, wind generation, unlike other sources of QF generation eligible for the Commission-established avoided cost rate, is an intermittent resource. As a result, generation from wind-powered resources must be "firmed" by ancillary services to assure the overall reliability of Idaho Power's system. Adding intermittent resources without also adding ancillary firming capacity would adversely affect system reliability and diminish the quality of service provided to the Company's customers. The addition of ancillary services to Idaho Power's system to assure system reliability would affect the Company's incremental cost of providing alternative resources to its system.

In light of the large number of MWs of QF wind resources already acquired and proposed, the high bid prices received in the 2005 wind RFP and the ancillary services required to firm wind resources, it is likely that Idaho Power will be required to reduce the amount of wind generation acquired through its 2005 RFP. For

---

<sup>3</sup> Other factors that may also be stimulating wind-powered development are the Federal production tax credit equal to \$18.00 per MWh, accelerated depreciation rules and the recently enacted Idaho sales tax exemption encouraging the development of alternative generating resources (Idaho Code § 63-3622QQ).

<sup>4</sup> The 2004 IRP was developed in consultation with the Integrated Resource Plan Advisory Council ("IRPAC"). Based on consultations with the IRPAC, Idaho Power calculated a 30-year levelized cost of \$42.94 per MWh in assessing the cost of wind resources and in determining the amount of wind-powered resources to be acquired by the Company in the near term. (IRP at 2).

<sup>5</sup> Any unsuccessful wind developers who submitted a bid in response to Idaho Power's 2005 RFP, could physically reconfigure their projects in conformance with the PURPA requirements and, thus, qualify for the QF avoided cost rates. Idaho Power would be required to purchase that generation via the mandatory purchase obligations of PURPA.

the same reasons, it is likely that the Company's 2008 RFP will need to be deferred or, perhaps, eliminated.

Idaho Power requests a temporary suspension of its obligations to purchase energy produced by wind-powered QFs for a sufficient period of time to allow the Commission to investigate the impacts on Idaho Power's customers arising out of the substantial amounts of wind-powered generation projects that have either been approved by the Commission or that are proposed by wind developers since approval of Commission Order No. 29646. The Commission can legally grant the Company the requested suspension and it is just and reasonable and in the best interest of the Company's customers that the suspension be granted.

#### IV.

#### ARGUMENTS

**A. The Commission Has Authority To Grant Idaho Power A Temporary Suspension Of The Company's PURPA Obligations To Enter Into Contracts To Purchase Energy Generated By Wind-Powered QFs.**

The Idaho Public Utilities Commission is the agency authorized and directed to supervise and regulate electrical utilities and to have ratemaking authority over such utilities. I.C. §§ 61-501, 61-129. Furthermore, the IPUC is authorized by FERC to regulate the purchase of energy by Idaho utilities from QFs as required by PURPA § 210. 16 U.S.C §824a-3(a).<sup>6</sup> While FERC promulgated the general scheme and rules of PURPA, it left implementation of PURPA to the regulatory authorities of the individual states. The grant of authority to the states in implementing the regulation of

---

<sup>6</sup> The Idaho Supreme Court recognized that "it is clear that PURPA was intended to confer upon state regulatory commissions responsibilities not conferred under state law." *Afton Energy, Inc. v. Idaho Power Co.*, 107 Idaho 781, 785, 693 P.2d 427, 431 (1984).

sales and purchases between QFs and electric utilities and specifically, in determining avoided costs, is broad. *Empire Lumber Co. v. Washington Water Power Co.*, 114 Idaho 191, 192, 755 P.2d 1229, 1230, *cert den.*, 488 U.S. 892, 109 S. Ct. 228 (1988). *See also, Independent Energy Producers Ass'n, Inc. v. California Pub. Util. Comm'n*, 36 F.3d 848, 856 (9<sup>th</sup> Cir. 1994).

1. **PURPA delegates to the states broad authority to implement § 210 of the statute which includes the ability of the IPUC to temporarily suspend Idaho Power's obligations under PURPA to enter into contracts to purchase energy from wind-powered QFs.**

FERC provides no precise formula for calculating a utility's avoided cost. Such latitude is necessary, FERC believes, in order to accommodate local conditions and concerns. *See* Policy Statement Regarding the FERC's Enforcement Role Under Section 210 of PURPA (1978), 23 FERC ¶ 61,304, 61,646 (May 31, 1983); *Southern California Edison Co. and San Diego Gas & Elec. Co.*, 70 FERC ¶ 61,215, 61,675 (1995)(asserting that FERC gives States wide latitude in implementing PURPA in recognition of the role Congress intended to give to States).

There are two general caveats under PURPA that direct and guide the actions of States: (1) electric utilities are not required to pay more than the avoided cost for purchases (PURPA § 210(b)); and (2) cogeneration and small power producers in their sales to utilities are not to be subjected to pervasive utility-type regulation (PURPA § 210(e)). In fulfilling its duties and obligations under §§ 201 and 210 of PURPA and the implementing regulations promulgated by FERC, the IPUC determines, among other things, the avoided cost rates that electric utilities are to pay for QF-generated power. The IPUC requires that Idaho Power purchase electric energy from QFs at the

Company's avoided costs, that is, the Company's "incremental costs for electric energy or capacity which, but for the purchase from the QF, the utility would generate itself or purchase from another source." 18 C.F.R. § 292.101(b)(6).<sup>7</sup>

Under FERC's rules, "no utility is required to pay more than its avoided cost for purchases from qualifying facilities unless the utility otherwise agrees." 43 FERC ¶ 61,067, 61,186 (1988)(citing 18 C.F.R. § 292.401 (1987)). To ensure that utility ratepayers are indifferent with regard to utility purchases, Congress in PURPA and FERC in the QF rules limited a utility's obligations to purchase power from QFs to purchases at the utility's avoided costs, which is the cost the utility avoided through the purchase of generation.

PURPA § 210(b) and related FERC regulations provide that the rates for QF purchases "(1) be just and reasonable to the electric consumers of the electric utility and in the public interest, and (2) shall not discriminate against qualifying cogenerators or qualifying small power producers." 16 U.S.C. § 824a-3(b) (1994). The U.S. Supreme Court stated that PURPA "sets full avoided cost as the maximum rate that the Commission may prescribe." *American Paper Inst., Inc. v. American Elec. Power Serv. Corp.*, 461 U.S. 402, 413 (1983).

Avoided cost rates, once fixed by the IPUC, are subject to continuous change as the value of power rises and falls.

---

<sup>7</sup> Avoided costs include both energy costs and capacity costs. Energy costs are the costs associated with the incremental production of electric energy, including the cost of fuel and certain operating and maintenance costs. Capacity costs are the costs associated with providing the capabilities to meet the demand for electric energy. These costs may be incurred by a utility in order to build generating facilities, to institute conservation programs or to purchase power on the wholesale market. *Administrative Determination of Full Avoided Costs, Sales of Power to Qualifying Facilities, and Interconnection Facilities*, IV Federal Energy Reg. Comm'n Rep. (CCH) ¶ 32,457, at 32, 157 (Mar. 16, 1988).

As the electric utility industry becomes increasingly competitive, the need to ensure that the States are using procedures which ensure that QF rates do not exceed avoided cost becomes more critical. This is because QF rates that exceed avoided cost, will, by definition, give QFs an unfair advantage over other market participants (non-QFs). This, in turn, will hinder the development of competitive markets and hurt ratepayers, a result clearly at odds with ensuring the just and reasonable rates required by PURPA section 210(b).

70 FERC ¶ 61,215, 61,675-76 (1995).

Rates paid to QFs that exceed avoided costs at the time rates are imposed would be in violation of PURPA § 210(b). Thus, the Commission must continuously monitor conditions and circumstances to assure that the avoided costs paid to qualifying facilities are reflective of the incremental costs to the utility of alternative electric energy at the time the utility enters into agreements with QFs and no more than those costs. Failure to monitor these conditions places the ratepayers at risk of paying more for utility services.

The Commission is authorized to rescind or alter former orders or past decisions to assure that those orders and decisions continue to address conditions or circumstances as they presently exist. When the purpose of a commission's act "is one of regulatory action, as distinguished from merely applying law or policy to past facts, an agency must at all times be free to take such steps as may be proper in the circumstances irrespective of its past decisions." *Washington Water Power Co. v. Idaho Pub. Util. Comm'n*, 101 Idaho 567, 579, 617 P.2d 1242 (1980)(citation omitted). "So long as the Commission enters sufficient findings to show that its action is not arbitrary and capricious, the [Idaho Public Utilities] Commission can alter its decisions." *Id.* (citations omitted).

Avoided cost rates are dynamic and change in response to varying conditions and circumstances. Even when conditions remain the same, the Commission's understanding of those conditions may change. Even under those circumstances, "the agency must be free to act." *Id.* In the past, the Commission has recognized that avoided costs are not static and that, instead, those costs are subject to adjustments. In Order No. 19673 issued by the Commission on May 8, 1985 in Case No. U-1006-248, the Commission determined that it "has continuing authority to review those rates" and that it is "just, fair and reasonable, . . . to protect the public interest in paying no more than avoided costs for this energy."

In January 1994, in response to an application filed by Idaho Power for a change in the methodology for determining the avoided cost rate, the IPUC suspended the avoided cost rates it had previously established. *See, Rosebud Enter., Inc. v. Idaho Pub. Util. Comm'n*, 131 Idaho 1, 951 P.2d 521 (1998). In 1997, the IPUC determined that the avoided cost rates the Commission "approved in 1994 in Case No. IPC-E-92-31 are no longer a fair, just and reasonable representation of [Idaho Power] Company's avoided costs." IPUC Order No. 26795 February 14, 1997 (citations omitted).

Thus, in carrying out its authority under PURPA to regulate the purchase of energy by Idaho utilities from QFs as required by PURPA § 210(b), it is the duty of the Commission to assure that the rates offered QFs are "just and reasonable to the electric consumers of the electric utility and in the public interest" and, if necessary, following a reasonable evaluation, to adjust those rates to insure that the PURPA mandate is satisfied and that the ratepayer remains indifferent to the fees it pays for utility services. 16 U.S.C §824a-3(b)(1) (1994). The IPUC has broad authority to

temporarily suspend Idaho Power's obligations under PURPA to enter into contracts to purchase energy from wind-powered QFs for a sufficient amount of time to evaluate whether the avoided cost rates set by the Commission accurately reflect local conditions and the Company's incremental cost of providing wind-powered electrical generation and that that ratepayers remain indifferent with regard to utility purchases.

2. **A QF is not entitled to a lock-in of an avoided cost rate until it has entered into a legally enforceable obligation for the delivery of energy and capacity and the Commission has approved the contract.**

According to FERC, "[i]t is up to the States, not [FERC], to determine the specific parameters of individual QF power purchase agreements, including the date at which a legally enforceable obligation is incurred under State law." *West Penn Power Co.*, 71 FERC ¶ 61,153 (1995)(footnote omitted). The Idaho Supreme Court determined that "[c]onferment of grandfathered status on [a] qualifying facility is essentially an IPUC finding that a legally enforceable obligation to sell power existed by a given date. Such a finding is within the discretion of the state regulatory agency." *Rosebud Enter., Inc. v. Idaho Pub. Util. Comm'n*, 128 Idaho 609, 624-25, 917 P.2d 766, 780-81 (1996).

Consistent with the foregoing, the IPUC has determined that, until a qualifying facility has entered into a legally enforceable obligation for the delivery of energy and capacity to Idaho Power and the Commission has approved that agreement, the QF is not entitled to a lock-in of an avoided cost rate. See IPUC Order No. 19673 (May 8, 1985)(establishing the applicability of the avoided cost rate during the pendency of an action filed by Idaho Power to suspend its purchases of power produced by QFs);

see also, *A.W. Brown Co., Inc.*, 121 Idaho at 814.<sup>8</sup> Thus, should the Commission temporarily suspend Idaho Power's obligations under PURPA to enter into purchase agreements for energy generated by wind-powered qualifying facilities, Idaho Power would not enter into any new QF agreements for which negotiations have not been completed until the suspension period was lifted and the issues raised in the Company's Petition were addressed.

**B. The Commission Should Grant Idaho Power A Temporary Suspension Of The Company's PURPA Obligations To Enter Into Contracts To Purchase Energy Generated By Wind-Powered QFs.**

Idaho Power requests a temporary suspension of its obligations to purchase energy produced by wind-powered QFs for a sufficient period of time to allow the Commission to investigate the impacts on Idaho Power's customers arising out of the substantial amounts of wind-powered generation projects that have either been approved by the Commission or that are proposed by wind developers since approval of Commission Order No. 29646 about seven months ago. The avoided cost rate established by the Commission in Order No. 29646 does not reflect the incremental cost to the Company of purchasing wind-powered energy. Those rates, as they apply to wind-generated energy purchases, are neither just, fair, reasonable or in the public interest nor do they assure that QFs are not given an unfair advantage over other market participants (non-QFs) as required by PURPA §210. 16 U.S.C. § 824a-3(b) (1994).

---

<sup>8</sup> The Idaho Supreme Court determined that "a *qualifying facility is entitled to receive avoided cost rates if it obligates itself to the delivery of energy or capacity* and if that obligation is legally enforceable against the qualifying facility." *A.W. Brown Co., Inc.*, 121 Idaho at 818 (emphasis in original).

Wind generation, unlike other sources of QF generation eligible for the Commission-established avoided cost rate, is an intermittent resource. As a result, generation from wind-powered resources must be firmed by ancillary services to assure the overall reliability of Idaho Power's system. Adding intermittent resources without also adding ancillary firming capacity would adversely affect system reliability and diminish the quality of service provided to the Company's customers.

The Company can provide the necessary firming services by either (a) purchasing load-following services and reserves from a third party supplier if those ancillary services are available on a firm, long-term basis or (b) providing those services through the acquisition by Idaho Power of peaking resources, such as gas-fired combustion turbines, that the utility can dispatch. Either method would incur additional costs to the Company and its customers that are directly attributable to only wind-powered resources. These costs are not reflected in the Commission-adopted avoided cost rates.

When the Commission issued Order No. 29124, the Commission used the combined cycle combustion turbine as the surrogate avoided cost resource for setting the avoided cost rate. The combined cycle combustion turbine, unlike intermittent wind resources, does not require the same level of ancillary services to sustain system reliability. The combined cycle combustion turbine can be dispatched and can provide load following services. The methodology employed by the Commission to establish the avoided cost rate adopted in December 2004 did not consider the costs associated with the ancillary services necessary to reliably and safely integrate intermittent wind resources into the utility's system. As a result, the total cost

of adding QF wind resources, including the rate paid to qualifying facilities generating energy via a wind resource are likely higher than the Company's incremental cost of providing alternative electric energy and in direct conflict with the tenets of PURPA.

In the last seven months since issuance of the current avoided cost rates by the Commission, Idaho Power has experienced an exponential increase in the amount of wind-powered resources either added to its portfolio or in line for Company consideration. Prior to the issuance of Order No. 29646, Idaho Power had less than 1 MW of QF wind-powered generation under contract. Since issuance of Order No. 29646 less than seven months ago, Idaho Power has received approval from the Commission for QF wind contracts with a total nameplate capacity of 82.5 MW. The Company has also been contacted by wind developers intending to pursue new QF projects with a nameplate capacity of 193 MW of wind-generated electricity. Wind energy proposals constitute 72% of the inquiries the Company has received from developers intending to pursue new QF projects.

While tax incentives at the state and federal levels may also be stimulating wind-powered QF development, the Company believes that the published avoided cost rates have created a windfall opportunity particularly for wind developers. The Company suspects that the bids it received in response to its January 13, 2005-issued RFP for 200 MW of wind-powered resource were influenced by the Commission-issued avoided cost rates set at the end of last year.

The Company was hopeful that a bidding process would allow the Company to take advantage of competition and the economies of scale associated with larger-sized wind generation projects. Idaho Power expected that this strategy would

moderate the total cost of wind energy acquired by the Company by averaging the higher cost of smaller QF wind purchases acquired at the avoided cost rates with the presumably lower cost of wind acquired through the competitive RFP process. Unfortunately, the bid process generated proposed purchase rates of 90% of the Commission's present avoided cost rate and 73% higher than the price recently approved by the Montana Commission for 135-150 MW of a wind-powered resource.

Unless the Commission issues a temporary suspension of Idaho Power's obligations under §§ 201 and 210 of PURPA and various Commission orders to enter into new contracts to purchase energy generated by qualifying wind-powered facilities, the Company will likely be inundated with contract and interconnection requests to obtain "grandfather" status. That status would guarantee that QF wind developers would be eligible to receive an avoided cost rate that the Company believes is inconsistent with the requirements of PURPA since the Company's cost of providing wind-powered energy within its portfolio exceeds its incremental cost of providing alternative energy resources. The grandfathering status would also assure that those intermittent resources would be added to the Company's system and compromise the reliability and safety of the system unless the Company expended significant resources to firm that energy.

To undertake an orderly and reasoned wind resource avoided cost investigation, it is imperative that the Commission implement a temporary suspension of mandatory purchases of wind QF resources. Unless the Commission orders a temporary suspension, Idaho Power is concerned that wind QF developers will overwhelm the Company with requests for contracts and file complaints, meritorious or

otherwise, in order to position themselves for an entitlement to the current avoided cost rates established by the Commission in Order No. 29646.

Idaho Power's request for a temporary suspension of its obligations to purchase wind QF resources does not represent a retreat by the Company from a commitment to acquire a significant amount of renewable resources, including wind power. Instead, the Company's request for a temporary suspension is necessitated by the potentially adverse and acute consequences to its customers attributable to the acquisition of large quantities of wind energy that neither the Commission nor the Company could have foreseen when the current process for setting avoided cost rates for QF-generated energy was established. For these reasons, the Commission should grant Idaho Power a temporary suspension of its PURPA obligations to enter into contracts to purchase energy generated by wind-powered QFs.

**V.**

**CONCLUSION**

Based on the foregoing arguments, Idaho Power Company respectfully requests that the Commission issue its Order temporarily suspending Idaho Power's obligations under §§ 201 and 210 of PURPA to enter into new contracts to purchase energy generated by wind-powered QFs to permit a review of utility system reliability issues associated with wind-powered QF generation and wind-specific avoided costs.

Respectfully submitted this 15<sup>th</sup> day of July 2005.



---

MONICA B. MOEN  
Attorney for Idaho Power Company

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 15th day of July, 2005, I served a true and correct copy of the BRIEF OF IDAHO POWER COMPANY upon the following named parties by the method indicated below, and addressed to the following:

Scott Woodbury	<input checked="" type="checkbox"/> Hand Delivered
Deputy Attorney General	<input type="checkbox"/> U.S. Mail
Idaho Public Utilities Commission	<input type="checkbox"/> Overnight Mail
472 W. Washington Street	<input type="checkbox"/> FAX
P.O. Box 83720	
Boise, ID 83720-0074	

Peter J. Richardson	<input type="checkbox"/> Hand Delivered
Richardson & O'Leary PLLC	<input checked="" type="checkbox"/> U.S. Mail
515 N. 27th Street	<input type="checkbox"/> Overnight Mail
P.O. Box 7218	<input type="checkbox"/> FAX
Boise, ID 83707	

Mr. James T. Carkulis	<input type="checkbox"/> Hand Delivered
Exergy Development Group of Idaho LLC	<input checked="" type="checkbox"/> U.S. Mail
1424 Dodge Avenue	<input type="checkbox"/> Overnight Mail
P.O. Box 5212	<input type="checkbox"/> FAX
Helena, MT 59604	

Richard L. Storro	<input type="checkbox"/> Hand Delivered
Director, Power Supply	<input checked="" type="checkbox"/> U.S. Mail
Avista Corporation	<input type="checkbox"/> Overnight Mail
1411 E. Mission Avenue	<input type="checkbox"/> FAX
P.O. Box 3727, MSC-7	
Spokane, WA 99220-3727	

R. Blair Strong	<input type="checkbox"/> Hand Delivered
Paine, Hamblen, Coffin, Brooke & Miller	<input checked="" type="checkbox"/> U.S. Mail
717 West Sprague Avenue, Suite 1200	<input type="checkbox"/> Overnight Mail
Spokane, WA 99201-3505	<input type="checkbox"/> FAX

William J. Batt	<input type="checkbox"/> Hand Delivered
John R. Hammond, Jr.	<input checked="" type="checkbox"/> U.S. Mail
Batt & Fisher, LLP	<input type="checkbox"/> Overnight Mail
101 S. Capitol Blvd., Suite 500	<input type="checkbox"/> FAX
P.O. Box 1308	
Boise, ID 83701	

Michael Heckler  
Director of Marketing & Development  
Windland Incorporated  
7669 W. Riverside Drive, Suite 102  
Boise, ID 83714

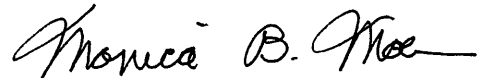
☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX

Dean J. Miller  
McDevitt & Miller LLP  
420 W. Bannock  
Boise, ID 83702

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX

Armand Eckert  
Magic Wind LLC  
716-B East 4900 North  
Buhl, ID 83316

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX



---

MONICA B. MOEN