

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )**  
**OF IDAHO POWER COMPANY FOR )** **CASE NO. IPC-E-10-37**  
**APPROVAL OF A FIRM ENERGY SALES )**  
**AGREEMENT WITH J.M. MILLER )** **NOTICE OF APPLICATION**  
**ENTERPRISES, INC., FOR THE SALE AND )**  
**PURCHASE OF ELECTRIC ENERGY. )** **NOTICE OF**  
**)** **MODIFIED PROCEDURE**  
**)**  
**)** **ORDER NO. 32134**

On November 15, 2010, Idaho Power Company filed an Application with the Commission requesting approval of a 10-year Firm Energy Sales Agreement ( "Agreement") between Idaho Power and J.M. Miller Enterprises, Inc. (J.M. Miller) dated November 1, 2010. The Application states that J.M. Miller would sell and Idaho Power would purchase electric energy generated by the Sahko Hydro Project ("Facility") located near Filer, Idaho. Idaho Power requests that its Application be processed by Modified Procedure.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that the Application states J.M. Miller is currently selling energy from this Facility to Idaho Power under a Schedule 86 non-firm agreement dated September 7, 2005, approved by the Commission in September 2005. Order No. 29874, Application at 2. The existing agreement shall be terminated at the time the Facility achieves its Operation Date as specified within the presently submitted Agreement. Idaho Power warrants that the Agreement comports with the terms and conditions of the various Commission Orders applicable to PURPA agreements (Order Nos. 30415, 30488, 30738, and 30744).

***A. The Agreement***

YOU ARE FURTHER NOTIFIED that the Agreement is for a term of 10 years and contains the current non-levelized published avoided cost rates established by the Commission in Order No. 31025 for energy deliveries of less than 10 average megawatts ("aMW"). The nameplate rating of the Facility is 0.5 MW.<sup>1</sup>

<sup>1</sup> Although Idaho Power filed a Joint Petition with the Commission on November 5, 2010, seeking a reduction in the published avoided cost rate eligibility cap from 10 aMW to 100 kW, Idaho Power does not believe that this Agreement should be impacted by that filing. *Id.* at 2.

YOU ARE FURTHER NOTIFIED that interconnection for this Facility was completed in association with the existing Schedule 86. *Id.* at 4. Therefore, all applicable interconnection charges and monthly operation and maintenance charges have already been assessed and collected from J.M. Miller regarding this Facility.

YOU ARE FURTHER NOTIFIED that, as this Facility is already providing energy to Idaho Power under an existing Schedule 86 agreement, J.M. Miller selected a Scheduled Operation Date of 30 days past the date this Agreement is approved by the Commission. By its own terms, the Agreement will not become effective until the Commission has approved all of the Agreement's terms and conditions and declares that all payments made by Idaho Power to J.M. Miller for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes. Agreement ¶ 21.1.

#### NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **no later than twenty-one (21) days** from the service date of this Order. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and Idaho Power at the addresses reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5918

Donovan E, Walker  
Lisa Nordstrom  
Idaho Power Company  
1221 West Idaho Street  
PO Box 70

Boise, ID 83707-0070

E-Mail: [dwalker@idahopower.com](mailto:dwalker@idahopower.com)  
[lnordstrom@idahopower.com](mailto:lnordstrom@idahopower.com)

Randy C. Allphin  
Energy Contract Administrator  
Idaho Power Company  
1221 West Idaho Street  
PO Box 70  
Boise, ID 83707-0070  
E-Mail: [rallphin@idahopower.com](mailto:rallphin@idahopower.com)

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Idaho Power at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application and Agreement have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and Agreement are also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and then "Electric Cases."

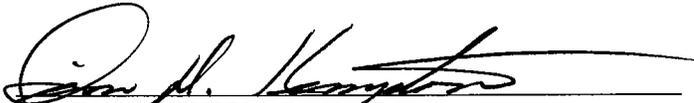
YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and the Public Utility Regulatory Policies Act of 1978 (PURPA). The Commission has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (FERC) to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from qualified facilities and to implement FERC rules.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

**ORDER**

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Interested persons and the parties may file written comments no later than 21 days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8<sup>th</sup> day of December 2010.

  
JIM D. KEMPTON, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
MACK A. REDFORD, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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