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DONOVAN E. WALKER Lead Counsel dwalker@idahopower.com UTILITIES COMMISSION

January 26, 2012

VIA HAND DELIVERY

Jean D. Jewell, Secretary Idaho Public Utilities Commission 472 West Washington Street Boise, Idaho 83702

Re:

Case No. IPC-E-12-01

GRAND VIEW PV SOLAR THREE, LLC, COMPLAINANT, GRAND VIEW PV SOLAR FOUR, LLC, COMPLAINANT VS. IDAHO POWER COMPANY, RESPONDENT

Dear Ms. Jewell:

Enclosed for filing please find an original and seven (7) copies of Idaho Power Company's Answer to the Complaint of Grand View PV Solar Three, LLC and Grand View PV Solar FOUR, LLC in the above matter.

Very truly yours,

Donovan E. Walker

DEW:sh Enclosures DONOVAN E. WALKER (ISB No. 5921) JASON B. WILLIAMS (8718) Idaho Power Company 1221 West Idaho Street (83702) P.O. Box 70 Boise, Idaho 83707

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Attorneys for Idaho Power Company

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IDAHO PUBLIC UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

GRAND VIEW PV SOLAR THREE, LLC,	D VIEW PV SOLAR THREE, LLC,) CASE NO. IPC-E-12-01	
Complainant,)		
GRAND VIEW PV SOLAR FOUR, LLC,)	IDAHO POWER COMPANY'S ANSWER	
Complainant,		
) vs.)		
vs.)		
IDAHO POWER COMPANY,		
Respondent.		

Pursuant to the Summons issued by the Idaho Public Utilities Commission ("Commission") on January 5, 2012, and pursuant to RP 57, Idaho Power Company ("Idaho Power" or "Company"), by and through its attorneys of record, hereby submits its Answer to the Complaint of Grand View PV Solar Three, LLC and Grand View PV Solar Four, LLC ("Grand View").

I. ANSWER

Idaho Power hereby answers Grand View's Complaint as follows. Idaho Power denies any allegation not specifically admitted and reserves the right to supplement this answer if Grand View amends its Complaint.

- 1. The factual allegations in the first sentence of paragraph 1 are admitted. The remaining legal conclusions require no response. That said, Idaho Power acknowledges that it is a public utility subject to the jurisdiction of this Commission, the Public Utility Commission of Oregon, and the Federal Energy Regulatory Commission ("FERC").
- 2. Idaho Power has insufficient information or knowledge regarding the truth of the allegations in paragraph 2 of the Complaint, which relate to the identity and corporate structure of Grand View.
- 3. The allegations in paragraph 3 are legal conclusions and require no response.
- 4. The allegations in paragraph 4 are legal conclusions and require no response.
- 5. Idaho Power has insufficient information or knowledge regarding the truth of the allegations in paragraph 5 of the Complaint.
- 6. The Commission's Order No. 32068 in Docket No. IPC-E-10-19 speaks for itself and requires no response.
- 7. Idaho Power has insufficient information or knowledge regarding the truth of the allegations in paragraph 7 of the Complaint.

- 8. In response to the allegations in paragraph 8 of the Complaint Idaho Power admits that Grand View Two has a complaint pending before the Commission.
- 9. In response to the allegations in paragraph 8 of the Complaint Idaho Power admits that Grand View Two has a completed facility study for the interconnection of its proposed project to Idaho Power's system.
- 10. Idaho Power has insufficient information or knowledge regarding the truth of the allegations in paragraph 10 of the Complaint.
- 11. Idaho Power has insufficient information or knowledge regarding the truth of the allegations in paragraph 11 of the Complaint.
- 12. Idaho Power has insufficient information or knowledge regarding the truth of the allegations in paragraph 12 of the Complaint.
- 13. Idaho Power has insufficient knowledge or information regarding the truth of the allegations in paragraph 13. The Company does not know what Grand View's reference to "Idaho Power's transmission business line" means.
 - 14. Idaho Power denies the allegations in paragraph 14.
- 15. Idaho Power has insufficient knowledge or information regarding the truth of the allegations in paragraph 15.
- 16. Idaho Power denies the allegation in paragraph 16. Idaho Power has record of a February 15, 2011, request from the Grand View Two project for pricing, but not for a contract for Grand View Three and Four.
- 17. Idaho Power denies the allegation in paragraph 17. Idaho Power has record that on February 15, 2011, Grand View Two provided estimated generation

profiles for its proposed projects that contained errors including solar generation during hours of darkness.

- 18. In response to the allegation in paragraph 18 Idaho Power admits that Grand View Two, Three, and Four made requests for draft agreements from Idaho Power.
- 19. In response to the allegation in paragraph 19 Idaho Power admits that Grand View Three and Four made a request for a draft agreement from Idaho Power on July 2, 2011.
- 20. In response to the allegations in paragraph 20 Idaho Power admits that it was engaged in negotiations with Grand View on several proposed projects during the month of July, 2011.
- 21. Idaho Power denies the allegations in paragraph 21. The July 10, 2011, e-mail was in regard to Grand View Two, and states, "there is currently no agreement on the terms of the contract."
- 22. In response to paragraph 22, Idaho Power admits that Grand View rejected a draft PURPA power sales agreement provided to it by Idaho Power.
- 23. In response to paragraph 23 Idaho Power admits that the e-mail referred to is a communication between counsel for Grand View and counsel for Idaho Power that when viewed in the full context of the communications shows that such communications were in response to a specific offer of settlement by counsel for Grand View by which the issue of RECs could be submitted to the Commission for its consideration. Idaho Power denies that the communication evidences agreement to all terms and conditions of a contract except for RECs.

- 24. In response to the allegation in paragraph 24 Idaho Power admits that Grand View Solar Two filed a complaint with the Commission on August 2, 2011, seeking an order "Requiring Idaho Power to resume inserting language in standard PURPA PPAs to the effect that Idaho Power makes no claim to REC ownership."
- 25. In response to the allegations in paragraph 25 Idaho Power admits that Grand View Three and Four requested draft agreements on September 1, 2011.
- 26. In response to the allegations in paragraph 26 Idaho Power admits that it responded to Grand View on September 6, 2011, which response speaks for itself.
- 27. Idaho Power denies the allegations in the first sentence of paragraph 27, and admits the allegation in the second sentence.
- 28. In response to the allegations in paragraph 28 Idaho Power admits that it requested correct generation data from Grand View as the previously provided, required data showed solar generation during hours of darkness.
- 29. In response to the allegations in paragraph 29 Idaho Power admits that Grand View provided corrected generation data.
- 30. In response to the allegation in paragraph 30 Idaho Power admits that a contract with Interconnect Solar was filed with the Commission on October 11, 2011. Idaho Power has insufficient information or knowledge regarding what Grand View thought about the rates contained in Interconnect Solar's contract.
 - 31. Idaho Power admits the allegation in paragraph 31.
 - 32. Idaho Power denies the allegation in paragraph 32.
 - 33. Idaho Power admits the allegation in paragraph 33.
 - 34. Idaho Power denies the allegation in paragraph 34.

- 35. In response to the allegations in paragraph 35 Idaho Power admits it received e-mail communication from counsel for Grand View on December 1, 2011.
- 36. In response to the allegations in paragraph 36 Idaho Power admits that it responded to counsel from Grand View on December 1, 2011.
- 37. In response to the allegations in paragraph 37 Idaho Power admits it received e-mail communication from counsel for Grand View on December 1, 2011.
- 38. In response to the allegations in paragraph 38 Idaho Power admits that it sent draft PURPA power purchase agreements to Grand View on December 2, 2011, for the purposes of discussion and negotiation pursuant to the Commission's negotiated avoided cost rate process applicable to Grand View Solar's proposed projects.
 - 39. Idaho Power denies the allegations in paragraph 39.
 - 40. Idaho Power denies the allegations in paragraph 40.
 - 41. Idaho Power admits the allegations in paragraph 41.
 - 42. Idaho Power denies the allegations in paragraph 42.
 - 43. Idaho Power denies the allegations in paragraph 43.
- 44. Idaho Power has insufficient knowledge or information regarding the truth of the allegations in paragraph 44.
 - 45. Idaho Power denies the allegations in paragraph 45.
- 46. Idaho Power has insufficient knowledge or information regarding the truth of the allegations in paragraph 46.
 - 47. Idaho Power denies the allegations in paragraph 47.
 - 48. Idaho Power denies the allegations in paragraph 48.
 - 49. Idaho Power denies the allegations in paragraph 49.

- 50. In response to the allegations of paragraph 50 Idaho Power admits that it provided Grand View with a draft PURPA power sales agreement for the purposes of discussion and negotiation pursuant to the Commission's negotiated avoided cost rate process applicable to Grand View Solar's proposed projects that contained rates different from, and lower than, those contained in the contract with Interconnect Solar filed with the Commission.
- 51. In response to the allegations of paragraph 51 Idaho Power admits that the rates, terms, and conditions contained in the draft PURPA power sales agreements provided to Grand View for the purposes of discussion and negotiation pursuant to the Commission's negotiated avoided cost rate process applicable to Grand View Solar's proposed projects are the appropriate rates, terms, and conditions to act as the basis for discussions and negotiations between Idaho Power and Grand View Solar.
- 52. In response to paragraph 52 Idaho Power refers to and incorporates herein paragraphs 1 through 51 above.
- 53. Idaho Power has insufficient knowledge or information regarding the truth of the allegations in paragraph 53.
- 54. The allegations in paragraph 54 are legal conclusions and require no response.
- 55. The allegations in paragraph 55 are legal conclusions and require no response.
 - 56. Idaho Power denies the allegations in paragraph 56.

WHEREFORE, Idaho Power respectfully requests that the Commission issue its Order denying the relief sought by Grand View in its Prayer for Relief and dismissing the Complaint.

Respectfully submitted this Lay of January 2012.

DONOVAN E. WALKER

Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this May of January 2012 I served a true and correct copy of IDAHO POWER COMPANY'S ANSWER upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff Kristine Sasser Deputy Attorney General Idaho Public Utilities Commission 472 West Washington P.O. Box 83720 Boise, Idaho 83720-0074	X_ Hand DeliveredU.S. MailOvernight MailFAXX_ Email Kris.Sasser@puc.idaho.gov
Grand View PV Solar Two, LLC Peter J. Richardson Gregory M. Adams RICHARDSON & O'LEARY, PLLC 515 North 27 th Street (83702) P.O. Box 7218 Boise, Idaho 83707	Hand Delivered X U.S. Mail Overnight Mail FAX X Email peter@richardsonandoleary.com greg@richardsonandoleary.com