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**Renewable
Northwest**

May 20, 2014

Via U.S. Mail and Electronic Transmission

**The Honorable Paul Kjellander
The Honorable Marsha Smith
The Honorable Mack Redford
Idaho Public Utilities Commission
472 West Washington Street
Boise, Idaho 83702**

**Re: Idaho Power Company Petition to Suspend Purchase of Solar
Powered Energy, Case No. IPC-E-14-09**

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IDAHO PUBLIC
UTILITIES COMMISSION

Dear Commissioners:

I am writing on behalf of Renewable Northwest (f.k.a. "Renewable Northwest Project") in response to Commission Order 33039 regarding the Commission's public hearing on Idaho Power Company's ("Idaho Power") petition to temporarily suspend its PURPA obligation to purchase energy generated by solar-powered qualifying facilities ("QFs"). Renewable Northwest is a non-profit regional advocacy group that works to facilitate the expansion of responsibly developed renewable energy resources for the betterment of the Northwest economy and environment. Renewable Northwest's members include renewable energy project developers and manufacturers, public and consumer interest groups, academic institutions, and others.

Renewable Northwest opposes Idaho Power's request for an immediate order that would allow it to (1) suspend its obligation to enter into PURPA contracts with solar QFs or (2) require the imposition of a solar integration charge on any solar PURPA contracts. Renewable Northwest considers such a request to be premature and not necessary to address Idaho Power's concerns. Instead of granting Idaho Power's petition, the Commission should focus on ensuring a robust solar integration study process that arrives at an accurate solar integration charge.

As a threshold matter, Renewable Northwest is concerned about the timing and process issues associated with Idaho Power's request. Renewable Northwest has been participating on the Technical Review Committee ("TRC") that is providing input on Idaho Power's solar integration study—first, with Jimmy Lindsay, our Regulatory Analysis Manager; following Mr. Lindsay's departure from Renewable Northwest in April, our Senior Policy Manager, Cameron Yourkowski, has been serving on the TRC. Despite our participation on the solar integration TRC, we had no knowledge of Idaho Power's petition before it was filed. This lack of communication, combined with the request for expedited treatment, provides little opportunity for meaningful stakeholder participation on the issue.

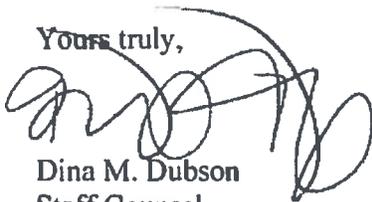
Second, Renewable Northwest considers Idaho Power's request premature. As stated in Idaho Power's petition, the company's 501 MW estimate includes solar QFs that "recently signed contracts, received draft contracts, received incremental cost pricing calculations, *or otherwise made serious inquiries or taken other steps* designed to attempt to obligate Idaho Power and its customers to purchase their generation pursuant to PURPA."¹ Of this 501 MW total, only 60 MW of solar projects have signed contracts with Idaho Power.² As for the remainder, it is not clear from the petition what constitutes "serious inquiries" or "other steps," but it appears to us that much of the 501 MW total is very far from signing a PURPA contract with Idaho Power, even without the addition of a solar integration charge. (Certain of the terms and conditions in Idaho Power's contracts may make it difficult to finance solar PURPA projects.) Thus, Idaho Power's concern about the need to prevent a flood of solar projects is at least premature.

Third, the requested remedy is not necessary to address Idaho Power's concerns. Even for those projects that have made inquiries to Idaho Power, the company is free to negotiate a solar integration rate for those projects that are not subject to a standard contract. We recognize that Idaho Power has not yet completed its solar integration study, but its analysis to date could be used to inform the contract negotiations, and contract provisions can be drafted a number of ways to account for the incomplete study results without burdening the Commission with the petition.

Fundamentally, what this petition underscores is the need to complete Idaho Power's solar integration study as expeditiously as possible—but without compromising the quality of the analysis and the ability to thoroughly vet the study methodology. Our organization's participation on the TRC gives us a better window into the study process, and we find that good progress is being made on the study. However, we also recognize that other stakeholders do not have the same opportunity to participate. Instead of granting Idaho Power's petition, the Commission can address the company's concerns as well as those of other stakeholders by formalizing the study process to ensure that the study is completed in a transparent and verifiable manner. Such oversight is not intended to supplant the important role of the TRC in providing "input, review, and guidance for the Study,"³ but rather to supplement the TRC's efforts and provide for a more formal process.

We appreciate the opportunity for our organization to participate on the TRC and we look forward to continuing to work productively with Idaho Power on that effort. However, we do not consider this particular petition an example of a productive approach to solving integration issues. We recommend that the Commission reject Idaho Power's petition.

Yours truly,



Dina M. Dubson
Staff Counsel
Renewable Northwest

¹ Idaho Power Petition at 16 (emphasis added).

² Direct Testimony of Randy Alphin at 3.

³ See Direct Testimony of Philip DeVol at 3.