

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. IPC-E-14-23
OF IDAHO POWER COMPANY FOR)	
APPROVAL OR REJECTION OF AN)	NOTICE OF APPLICATION
ENERGY SALES AGREEMENT WITH)	
BLACK CANYON BLISS, LLC, FOR THE)	NOTICE OF
SALE AND PURCHASE OF ELECTRIC)	MODIFIED PROCEDURE
ENERGY FROM THE BLACK CANYON)	
BLISS HYDRO PROJECT.)	ORDER NO. 33124

On August 27, 2014, Idaho Power Company filed an Application requesting that the Commission accept or reject an Agreement between Idaho Power and Black Canyon Bliss, LLC (Black Canyon), for the sale and purchase of electric energy generated by the Black Canyon Bliss Hydro Project.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on August 19, 2014, Idaho Power and Black Canyon entered into an Agreement pursuant to the terms and conditions of various Commission Orders applicable to PURPA agreements for non-seasonal hydro projects. Idaho Power states that Black Canyon proposes to operate and maintain a 24.82 kilowatt (kW) non-seasonal hydro energy facility to be located near Bliss, Idaho. The Company maintains that the project will be a qualified facility (QF) under the applicable provisions of the Public Utility Regulatory Policies Act (PURPA).

YOU ARE FURTHER NOTIFIED that under the terms of the Agreement, Black Canyon elected to contract with Idaho Power for a 20-year term using the non-levelized other published avoided cost rates as currently established by the Commission in Order No. 33084 for energy deliveries of less than 10 average MW (aMW). As defined in paragraphs 1.21 and 4.1.4 of the Agreement, Black Canyon will be required to provide data on the facility that Idaho Power will use to confirm that under normal and/or average conditions, the facility will not exceed 10 aMW on a monthly basis. As described in paragraph 7.5 of the Agreement, should the facility exceed 10 aMW on a monthly basis, Idaho Power will accept the inadvertent energy that does not exceed the maximum capacity amount, but will not purchase or pay for inadvertent energy.

YOU ARE FURTHER NOTIFIED that Black Canyon has selected November 15, 2014, as the project's Scheduled Operation Date. Various requirements have been placed upon Black Canyon in order for Idaho Power to accept energy deliveries from this facility. Idaho Power will monitor compliance with these requirements. Idaho Power will continue to monitor the ongoing requirements throughout the term of the Agreement.

YOU ARE FURTHER NOTIFIED that the Agreement provides that all applicable interconnection charges and monthly operational or maintenance charges under Schedule 72 will be assessed to Black Canyon. A Schedule 72 Generator Interconnection Agreement (GIA) between Black Canyon and Idaho Power was executed on April 22, 2013. Idaho Power states that PURPA QF generation must be designated as a network resource (DNR) to serve Idaho Power's retail load on its system. In order for the facility to maintain its DNR status and maintain compliance with Idaho Power's non-discriminatory administration of its Open Access Transmission Tariff (OATT) and FERC requirements there must be a power purchase agreement (PPA) associated with its transmission service request.

YOU ARE FURTHER NOTIFIED that Article 21 of the Agreement provides that the PPA will not become effective until the Commission has approved all terms and conditions and declared that all payments Idaho Power makes to Black Canyon for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes.

YOU ARE FURTHER NOTIFIED that Idaho Power requests that its Application be processed by Modified Procedure.

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 31.01.01.201-204. 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 in opposition with the Commission **no later than Thursday, October 2, 2014**. 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 may be mailed to the Commission and Idaho Power at the addresses reflected below:

Commission Secretary	Donovan E. Walker
Idaho Public Utilities Commission	Lead Counsel
PO Box 83720	Idaho Power Company
Boise, ID 83720-0074	PO Box 70
	Boise, ID 83707-0070
Street Address for Express Mail:	E-mail: dwalker@idahopower.com
472 W. Washington Street	Randy C. Allphin
Boise, ID 83702-5918	Energy Contract Administrator
	Idaho Power Company
	PO Box 70
	Boise, ID 83707-0070
	E-mail: 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. Click the "Case Comment or Question Form" under the "Consumers" tab, 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 Idaho Power at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to "Open Electric Cases," and then click on the case number as shown on the front of this document.

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 that the Commission may enter any final order consistent with its authority under Title 61.

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 October 2, 2014.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 9th day of September 2014.



PAUL KJELLANDER, PRESIDENT




MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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