



## Idaho Public Utilities Commission

P.O. Box 83720, Boise, ID 83720-0074

C.L. Butch Otter, Governor

Paul Kjellander, Commissioner  
Mack A. Redford, Commissioner  
Marsha H. Smith, Commissioner

*Case Nos. IPC-E-14-26, -27, -28, -29, -30, -31, -32, -33, -34;-35; and -36.*

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# Idaho Power submits applications for sales agreements with 11 solar projects

**BOISE (Nov. 14, 2014)** – The Idaho Public Utilities Commission is taking comments through Dec. 19 on proposed power sales agreements between Idaho Power Company and 11 solar projects totaling 281 megawatts. All told, the 11 projects have a 20-year estimated contract value of \$973.5 million.

Also today, the commission approved applications from two other solar projects, Boise City Solar and Grand View Solar II, totaling 120 MW.

Six of the proposed projects, including the largest 71 MW facility, are planned for Elmore County. Three are in Power County, one in Ada County and one in Owyhee County. All have scheduled online dates in December 2016. See the attached table for a detailed listing of the projects, their size and contract value.

All the projects are qualifying facilities under the provisions of the federal Public Utility Regulatory Policies Act. PURPA requires regulated utilities to buy energy from independent, renewable generation projects at rates established by state commissions. The rate to be paid small-power producers is called an “avoided-cost rate,” because it is based on the cost the utility avoids by not having to generate the energy itself or buy it from another source. The commission must ensure the avoided-cost rate is reasonable for utility customers because 100 percent of the price utilities pay to qualifying small-power producers is included in customer rates.

Six of the projects are owned by Ketchum-based Intermountain Energy Partners. Mark van Gulik is the developer. Five of the projects are owned by First Wind, headquartered in Boston.

The sales agreements propose that Idaho Power pay the developers a non-levelized avoided-cost rate over the 20-year term of the agreements, which means payments increase over the course of the agreement and vary according to light-load and heavy-load hours of the day and seasons of the year.

The Intermountain Energy projects propose rates that are as low as \$33 per megawatt-hour during light-load hours to as high as \$115 per MWh during heavy-load hours. If the payments were levelized over the 20-year term of the proposed agreements, payments would be about \$62 per MWh. The scheduled online date for those projects is Dec. 31, 2016.

The First Wind projects propose rates as low as \$33 per MWh during light-load hours to about \$143 per MWh during heavy-load hours. If levelized, the payments would be about \$64 per MWh. The scheduled online date for the First Wind projects is Dec. 1, 2016.

Included in each contract is an integration charge the developer pays Idaho Power to cover the cost of integrating the energy into Idaho Power's transmission and distribution system.

Revenue from the sales of Renewable Energy Certificates associated with the projects would be split 50-50 between the developer and Idaho Power.

The proposed agreements allow for a 2 percent deviation in estimated energy output before the price can be adjusted. A consistent deviation from the hourly energy generation estimates would be considered a material breach of the agreements.

Comments are accepted via e-mail through Dec. 19, 2014, by accessing the commission's homepage at [www.puc.idaho.gov](http://www.puc.idaho.gov) and clicking on "Case Comment Form," under the "Electric" heading. Fill in the case number (see chart for each project) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.



Project	Location	Size	20-year estimated contract value
Mountain Home Solar Case No. IPC-E-14-26	Elmore County	20 MW	\$81 million
Pocatello Solar 1 Case No. IPC-E-14-27	Power County	20 MW	\$75.6 million
Clark Solar 1 Case No. IPC-E-14-28	Elmore County	71 MW	\$250.75 million
Clark Solar 2 Case No. IPC-E-14-29	Elmore County	20 MW	\$69.85 million
Clark Solar 3 Case No. IPC-E-14-30	Elmore County	30 MW	\$103.6 million
Clark Solar 4 Case No. IPC-E-14-31	Elmore County	20 MW	\$68.15 million
Murphy Flat Power Case No. IPC-E-14-32	Owyhee County	20 MW	\$68 million
Simco Solar Case No. IPC-E-14-33	Elmore County	20 MW	\$68.7 million
American Falls Solar Case No. IPC-E-14-34	Power County	20 MW	\$63.8 million
American Falls Solar II Case No. IPC-E-14-35	Power County	20 MW	\$60.7 million
Orchard Ranch Solar Case No. IPC-E-14-36	Ada County	20 MW	\$63.5 million