



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 No. IPC-E-14-39, Order No. 33191
Contact: Gene Fadness (208) 334-0339, 890-2712
www.puc.idaho.gov

Sales agreement with Wendell area hydro project renewed

BOISE (Dec. 26, 2014) – The Idaho Public Utilities Commission has approved an application by Idaho Power Company for a 20-year renewal of a power sales agreement with a Wendell area hydroelectric project.

The power purchase agreement is with Blind Canyon Aquaranch, Inc., a 1.625-megawatt hydro facility. The application lists Pat Windes of Hagerman as president.

The scheduled operation date under the new contract was Dec. 15, 2014, in order to maintain uninterrupted operation.

The project qualifies under the provisions of the Public Utility Regulatory Policies Act of 1978, or PURPA. The act requires that electric utilities offer to buy power produced from qualifying small-power producers. The rate to be paid small-power producers is determined by the commission and is called an “avoided-cost rate” because it is to be equal to the cost the electric utility avoids if it would have had to generate the power itself or purchase 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.

The agreement includes non-levelized payments from Idaho Power to Blind Canyon Aquaranch that gradually increase throughout the life of the contract. Beginning this year, the proposed rate is \$61.81 per megawatt-hour, escalating to \$106.66 per MWh at contract’s end in 2034. The payments are adjusted slightly to account for on-peak and off-peak hours and seasons.

The commission’s’ order, as well as other documents related to this case, is available on the commission’s Website at www.puc.idaho.gov. Click on “Open Cases” under the “Electric” heading and scroll down to Case No. IPC-E-14-39.