

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF IDAHO POWER )**  
**COMPANY’S APPLICATION TO APPROVE ) CASE NO. IPC-E-15-22**  
**THIRD AMENDMENT TO ITS POWER )**  
**PURCHASE AGREEMENT WITH ) ORDER NO. 33359**  
**AGPOWER DCD, LLC )**  
**)**

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On July 29, 2015, Idaho Power Company filed an Application asking the Commission to approve the Third Amendment to its Power Purchase Agreement (PPA) with AgPower DCD, LLC. The PPA is a contract under the Public Utility Regulatory Policies Act (PURPA). This amendment changes the Net Energy Amount notification process, similar to the process that the Commission recently approved for Idaho Power involving six other PPAs. Idaho Power asks that the Commission approve its Application upon Staff’s review and without further process. Application at 4.

**BACKGROUND**

In 2010, the Commission approved the initial PPA between Idaho Power and Cargill Incorporated (the original seller). Order No. 31034. Under the PPA, Idaho Power purchases energy generated by the Bettencourt Dry Creek Biofactory near Hansen, Idaho. *Id.* at 1. Bettencourt is a qualifying facility (QF) under PURPA. *See* Application at 1. In June 2014, the Commission approved a first amendment to the PPA, transferring ownership of Bettencourt, and all rights, interests, and obligations, under the PPA to AgPower. *Id.* In August 2015, Idaho Power and AgPower entered into a second amendment to change the definition of “Mid-Columbia Market Energy Cost” in the PPA, consistent with Order No. 33053. Order No. 33184.

**PROPOSED AMENDMENT**

In this third amendment, Idaho Power and AgPower propose a change in the Net Energy Amount notification process, allowing monthly rather than quarterly updates. Application at 2. Specifically, the proposed third amendment changes paragraph 6.2 of the PPA “to allow [AgPower] to adjust the ‘Initial Year Monthly Net Energy Amounts’ on a monthly, rather than quarterly, basis.” Application at 4. Under the third amendment, AgPower “can submit future revisions on a monthly basis, with a minimum of 30 days notice prior to the beginning of the next month, rather than once every three months.” *Id.* Idaho Power indicates

that, with this change, AgPower “gains more clarity and flexibility in adjusting its estimated energy deliveries and Idaho Power maintains the stability in the estimates necessary for its planning and operation.” *Id.*

The Commission recently approved six PPAs between Idaho Power and other QFs that include the same notification provision. Order Nos. 33102, 33103, 33104, 33156, 33191, and 33240; Application at 3. In Order No. 33102, the Commission stated, “we find that monthly, as opposed to quarterly, reporting of energy generation estimates is a reasonably negotiated term between the parties and not inconsistent with the Commission’s [earlier] guidance and findings.” Order No. 33102 at 6; Application at 3.

### **STAFF RECOMMENDATION**

Given the limited scope of the amendment, Staff recommended the request be approved without further process.

### **DISCUSSION AND FINDINGS**

Consistent with our prior Orders referenced herein, we find it reasonable to amend Idaho Power’s PPA with AgPower by shortening the Net Energy Amount notification process to allow monthly rather than quarterly updates. We find that no further process is needed and thus approve the Third Amendment as proposed.

### **ORDER**

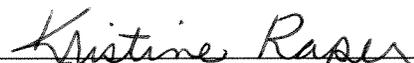
IT IS HEREBY ORDERED that Idaho Power’s Application to approve the Third Amendment to its Power Purchase Agreement with AgPower DCD, LLC is approved without change or condition.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 19<sup>th</sup>  
day of August 2015.

  
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PAUL KJELLANDER, PRESIDENT

  
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MARSHA H. SMITH, COMMISSIONER

  
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KRISTINE RAPER, COMMISSIONER

ATTEST:

  
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Diane M. Holt  
Assistant Commission Secretary

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