

AV 4
COMMISSIONER
H:DRIBBY

Diane Holt

From: mbusshp6m@icloud.com
Sent: Thursday, March 30, 2017 2:34 PM
To: Beverly Barker; Diane Holt; Gene Fadness
Subject: Case Comment Form: Martin Marzinelli

Name: Martin Marzinelli
Case Number: IPC-E-16-24
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Name of Utility Company: Idaho Power
Comment: Subject: Idaho Power Valmy Depreciation Request IPC Case number: IPC-E-16-24

Greetings,

I suggest the two units of the Valmy coal fired power plant be decommissioned earlier than 2025, preferably in 2019. In addition, appropriate accelerated depreciation of the remaining costs for the plant and closure be evaluated and decided upon by the IPC.

I also recommend the accelerated depreciation does not have to be accomplished within the same timeframe as the plant closure. If the depreciation costs to effect a closure in 2019 are deemed too aggressive, then the IPC should consider extending the time to mitigate those increased costs to Idaho Power customers over a longer period of time (beyond the life of the Valmy plant).

Following are some of the benefits that will be seen with an earlier closure of the plant:

> It will save Idaho Power (IDA) customers a substantial amount of money. For example:

- Valmy is currently an uneconomical power plant and expected to stay that way for the remaining planned life of the facility. IDA has spent large sums (>\$70 million) for compliance, repair, and maintenance in recent history. Unaccounted-for operation and fuel costs would make that number even larger.

- Economic reviews indicate keeping the Valmy coal plant open longer is more expensive than other energy resources like wind, solar, or natural gas.

- Keeping Valmy open until 2025 also has the potential of exposing IDA customers to additional costs for future environmental compliance enhancements.

- IDA estimates that closing the plant in 2025 (rather than the planned date of 2035) would yield estimated savings of \$103 million in today's dollars. Closing the plant even earlier should save significantly more money for IDA customers.

> The Valmy coal plant is one of our area's largest emitters of carbon pollution which increases the risks associated with global warming as defined by the worldwide scientific community.

> Closing the plant earlier can also bring regional benefits through the development of clean energy jobs (for constructing and maintaining future wind and solar facilities).

Closing the plant in 2019 will likely increase the accelerated depreciation costs. Extending the payback period of the costs to IDA customers should garner greater savings overall (closing an uneconomical plant sooner), and not place an undue burden on customers by forcing the depreciation to occur by 2019.

I appreciate this opportunity to comment.

Regards,
Martin Marzinelli

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