

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. IPC-E-16-27
OF IDAHO POWER COMPANY TO)	
APPROVE ITS ENERGY SALES)	NOTICE OF APPLICATION
AGREEMENT WITH SHOSHONE HYDRO,)	
L.P.)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 33649

On November 1, 2016, Idaho Power Company filed an Application seeking approval of its Energy Sales Agreement (ESA) with Shoshone Hydro, L.P. Application at 1. The ESA would replace an existing agreement, first approved by the Commission in 1981. Order No. 12746. Under the ESA, Idaho Power buys, and Shoshone Hydro sells, electric energy generated by the Shoshone Hydro project (Facility) located near Shoshone, Idaho. Application at 1. The Commission now issues this Notice of Application and Notice of Modified Procedure setting comment and reply deadlines in the matter.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on October 31, 2016, Idaho Power entered into its ESA with Shoshone Hydro pursuant to the terms and conditions of various Commission Orders, and under the Public Utility Regulatory Policies Act (PURPA). Application at 3. Under PURPA, electric utilities must purchase electric energy from “qualifying facilities” (QFs) at rates approved by the applicable state regulatory agency – in Idaho, this Commission. 16 U.S.C. § 824a-3; *Idaho Power v. Idaho PUC*, 155 Idaho 780, 789, 316 P.3d 1278, 1287 (2013).

YOU ARE FURTHER NOTIFIED that Idaho Power states that the Facility is a QF under PURPA and has a nameplate rating of 360 kilowatts (kW). Application at 4. The Facility is currently selling energy to Idaho Power under an agreement executed in 1981, and set to expire February 15, 2017. *Id.*

YOU ARE FURTHER NOTIFIED that, under the terms of the replacement ESA, “Shoshone Hydro elected to contract with Idaho Power for a 20-year term using the non-levelized, non-seasonal, hydro published avoided cost rates as currently established by the Commission in Order No. 33538 for replacement contracts and for energy deliveries of less than 10 [average megawatts] aMW.” *Id.* at 3-4.

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YOU ARE FURTHER NOTIFIED that Idaho Power states “Shoshone Hydro 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.” *Id.* at 4.

YOU ARE FURTHER NOTIFIED that the Facility’s Scheduled First Energy Date and Scheduled Operation Date is February 16, 2017. *Id.* The ESA will become effective only upon the Commission’s approval and finding that all payments made by Idaho Power to Shoshone Hydro for purchases of energy are “allowed as prudently incurred expenses for ratemaking purposes.” *Id.* at 5.

YOU ARE FURTHER NOTIFIED that the Application and a copy of the ESA have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and attachments are 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.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that 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 opposition with the Commission by no later than **November 30, 2016**. 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 shall be mailed to the Commission and Applicant at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington St.
Boise, ID 83702-5918

Donovan E. Walker, Lead Counsel
Randy C. Allphin, Energy Contracts Leader
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: dwalker@idahopower.com
dockets@idahopower.com
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 the Company may file reply comments, if necessary, by no later than **December 14, 2016**.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

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.*

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 specifically *Idaho Code* §§ 61-502 and 61-503. The Commission has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (FERC) to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from qualified facilities and to implement FERC rules. The Commission may enter any final Order consistent with its authority under Title 61 and PURPA.

ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Interested persons may file written comments no later than November 30, 2016. The Company may file a reply no later than December 14, 2016.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 14th day of November 2016.



PAUL KJELLANDER, PRESIDENT

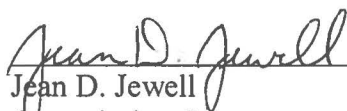


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

O:IPC-E-16-27_djh