

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION
OF THE STATE OF IDAHO

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IDAHO PUBLIC
UTILITIES COMMISSION

CASE NO. IPC-E-90-8

A. Peterson

PETITION TO INTERVENE BY
AFTON ENERGY, INC.

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY FOR THE RATE BASING)
OF THE MILNER HYDROELECTRIC)
PROJECT OR, IN THE ALTERNATIVE,)
A DETERMINATION OF EXEMPT STATUS)
FOR THE MILNER HYDROELECTRIC)
PROJECT.)
_____)

COMES NOW, Afton Energy Inc., herein called "this Intervenor"
and pursuant to this Commission's Rule 5, by this Petition requests
leave to intervene herein and to appear and participate as a party
herein, and as grounds therefor states as follows:

- 1. The name and address of this Intervenor is:

Afton Energy, Inc.
% Owen H. Orndorff
Orndorff & Peterson
1087 West River Street
Suite 230
Boise, Idaho 83702

This Intervenor will be represented by:

Owen H. Orndorff
Orndorff & Peterson
1087 West River Street
Suite 230
Boise, Idaho 83702

Copies of all pleadings, testimony, exhibits, production requests, Commission Orders and other documents should be provided to the parties identified above.

2. Afton Energy, Inc. ("Afton") has built a Qualified Facility under the Public Utility Regulatory Policies Act of 1978 ("PURPA") in Afton, Wyoming. Although the facility experienced temporary operating problems in the early contract years, it has now been rebuilt and is presently delivering approximately 50% more Dispatchable Capacity to Idaho Power than required under its contract. Afton's contract specifically allows Afton to make additional sales to Idaho Power and existing avoided costs from time to time. The filing by the Company for setting its proposed rate based costs may specifically impact the equivalent value of new resources such as the Afton rebuilt plant. To the extent Idaho Power's filing for rate based costs for Milner Dam are greater than its PURPA avoid cost rates, such discrimination against Qualified Facilities is prohibited under federal law. Without an opportunity to intervene in this case, Afton and similarly situated Qualified Facilities are without any means to challenge Idaho Power's claims that new resources such as Milner Dam are "non deferrable."

3. Intervenor believes that any rate based cost above existing avoided costs should be disallowed as a expense properly changed to shareholders. In the alternative, Afton should be allowed to provide Idaho Power capacity and energy at whatever rate

is set for Milner Dam for which ratepayers will be charged based on lawful avoided costs and arms length negotiations.

4. This Intervenor intends to participate herein as a party, and if necessary to introduce evidence, cross-examine witnesses, call and examine witnesses, and be heard in argument. The nature and quality of evidence which this Intervenor will introduce is dependent upon the nature and effect of other evidence in this proceeding.

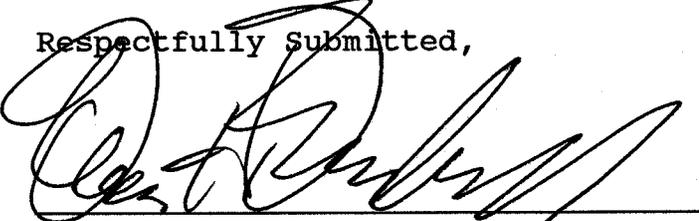
5. Without the opportunity to intervene herein, this Intervenor will be without any means of participation in the determination of the public interest with respect to the avoided cost rates and the rated Idaho Power proposes charging ratepayers for an unnecessary new generating resource. Unless allowed to Intervene, this Intervenor would be unable to participate in proceedings which may have a material impact on future electric production.

WHEREFORE, Afton Energy, Inc. requests that this Commission grant this Petition to Intervene in these proceedings and to appear and participate in all matters as may be necessary and appropriate; and to present evidence, call and examine witnesses, present argument and to otherwise fully participate in these proceedings.

Dated at Boise, Idaho this 6th day of June, 1990.

Respectfully Submitted,

By:


OWEN H. ORNDORFF
Attorney for Afton Energy, Inc.

CERTIFICATE OF MAILING

I hereby certify that I have served a true and correct copy of the foregoing document upon the following parties in this proceeding by:

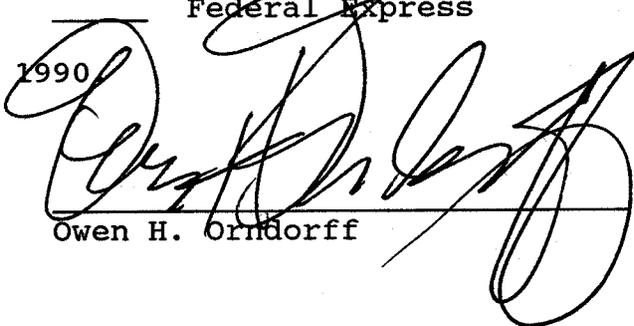
Larry Ripley
Evans, Keane, Koontz, Boyd,
Simko & Ripley
c/o Idaho Power Company
1220 West Idaho Street
P.O. Box 70
Boise, ID 83707

Hand Delivery
 U.S. Mail
 Facsimile Transmission
 Certified Mail
 Federal Express

Steven L. Herndon
Idaho Power Company
1220 West Idaho Street
P.O. Box 70
Boise, Idaho 83707

Hand Delivery
 U.S. Mail
 Facsimile Transmission
 Certified Mail
 Federal Express

DATED this 6th day of June, 1990


Owen H. Orndorff