

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

<b>IN THE MATTER OF THE PETITION OF</b>	)	
<b>ROCKY MOUNTAIN POWER FOR AN</b>	)	<b>CASE NO. PAC-E-07-07</b>
<b>ORDER REVISING CERTAIN</b>	)	
<b>OBLIGATIONS TO ENTER INTO</b>	)	<b>NOTICE OF</b>
<b>CONTRACTS TO PURCHASE ENERGY</b>	)	<b>MODIFIED PROCEDURE</b>
<b>GENERATED BY WIND-POWERED SMALL</b>	)	
<b>POWER GENERATION QUALIFYING</b>	)	<b>NOTICE OF</b>
<b>FACILITIES</b>	)	<b>COMMENT/PROTEST DEADLINE</b>

On April 23, 2007, PacifiCorp dba Rocky Mountain Power (PacifiCorp; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting a change in the Company's PURPA obligations for wind QFs. PacifiCorp proposes restoring the cap on entitlement to published avoided cost rates for wind-powered small power generation facilities that are qualifying facilities (QFs) under Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA) from the current level of 100 kW to 10 average megawatts per month (10 aMW), subject to the following condition, among others:

5. Clarifying the rules governing the entitlement to published rates to prevent all QFs, whether wind or non-wind, capable of delivering more than 10 aMW per month from structuring or restructuring into smaller projects for the purpose of qualifying for the published avoided cost rates; and

### **Published Rate Eligibility – Disaggregation**

Idaho Power and Avista have recommended adoption of a rule nearly the same as that adopted by the Oregon Public Utility Commission preventing multiple projects owned by the same person from receiving the published avoided cost rates, if located at the same site. PacifiCorp recommends that the approach recommended by Idaho Power in Case No. IPC-E-07-04 be applied to PacifiCorp purchases as well. PacifiCorp contends that wind projects are uniquely able to reconfigure themselves into various legal ownerships solely for economic reasons, without disturbing or affecting in any way the project site or structural design. In some circumstances, other generating technologies, it notes, may have similar capabilities. Such projects under common ownership that reconfigure themselves into multiple projects of a smaller capacity, PacifiCorp contends, should not qualify for published avoided costs in Idaho. Rather,

these projects, it contends, should negotiate directly with the Company to determine the appropriate avoided cost price to be paid for energy delivered to PacifiCorp taking into account the specific attributes of the project.

Additionally, while fundamental economic differences in the avoided costs and wind integration costs exist for different utilities, PacifiCorp contends a uniform approach among Idaho jurisdictional utilities is particularly useful to avoid unneeded incentives favoring one utility over another solely due to different QF rules that might apply to different utilities.

On May 15, 2007, the Commission issued a Notice of Petition in Case No. PAC-E-07-07.

YOU ARE HEREBY NOTIFIED that the Commission has reviewed and considered the Company's Petition in Case No. PAC-E-07-07 and has preliminarily found that the public interest regarding the issue of "disaggregation," i.e., the utility proposal to prevent QFs from disaggregating large QF projects into smaller projects to qualify for published avoided cost rates available to QFs smaller than 10 MW may not require a hearing to consider the issue presented and that the disaggregation issue may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the disaggregation issue raised by PacifiCorp in Case No. PAC-E-07-07 has also been raised by Avista in Case No. AVU-E-07-02 and by Idaho Power Company in Case No. IPC-E-07-04.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to the disaggregation issue raised by PacifiCorp in Case No. PAC-E-07-07 and the Commission's related use of Modified Procedure is **Friday, July 27, 2007**. Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that the Commission will not hold a hearing on the disaggregation issue in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and enter its

Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Petition in Case No. PAC-E-07-07 may be viewed at the Commission's website, [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and "Electric Cases," or is available for public inspection during regular business hours at the offices of the Idaho Public Utilities Commission, 472 West Washington, Boise, Idaho and the Idaho offices of PacifiCorp.

YOU ARE FURTHER NOTIFIED that written comments concerning the issue of disaggregation should be mailed to the Commission and the Company 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 Street  
Boise, ID 83702-5983

Dean Brockbank  
Senior Counsel  
Rocky Mountain Power  
201 S. Main Street, Suite 2300  
Salt Lake City, UT 84111  
E-mail: [dean.brockbank@pacificorp.com](mailto:dean.brockbank@pacificorp.com)


Brian Dickman  
Manager, Idaho Regulatory Affairs  
Rocky Mountain Power  
201 S. Main Street, Suite 2300  
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All 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](http://www.puc.idaho.gov). Click the "Comments and Questions" icon, 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 PacifiCorp at the e-mail addresses listed above.

DATED at Boise, Idaho this

27<sup>th</sup>

day of June 2007.

  
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Jean D. Jewell  
Commission Secretary

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