

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF PACIFICORP DBA ROCKY MOUNTAIN)	CASE NO. PAC-E-09-05
POWER FOR APPROVAL OF A POWER)	
PURCHASE AGREEMENT BETWEEN)	NOTICE OF APPLICATION
PACIFICORP AND LOWER VALLEY)	
ENERGY, INC.)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	NOTICE OF
)	COMMENT/PROTEST DEADLINE

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on May 28, 2009, PacifiCorp dba Rocky Mountain Power (PacifiCorp; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting approval of a May 22, 2009 Power Purchase Agreement (Agreement) between PacifiCorp and Lower Valley Energy, Inc. (Lower Valley).

Lower Valley intends to construct, own, operate and maintain a run-of-river hydroelectric generating facility for the generation of electric power located in or near the town of Afton, Lincoln County, Wyoming, with an expected nameplate capacity rating of 940-kilowatts (the Facility). The project is located on Swift Creek in Lincoln County, Wyoming, partially within the Bridger-Teton National Forest at approximately 42° 43' north and 110° 54' west. The Facility will be a qualified small power production facility (QF) under the applicable provisions of the Public Utilities Regulatory Policy Act of 1978 (PURPA).

The Agreement between PacifiCorp and Lower Valley is for a three-year term expiring May 1, 2012. Agreement ¶ 2.1. Under terms of the Agreement (¶ 5.1) PacifiCorp will pay Lower Valley non-levelized, conforming energy or non-conforming energy purchase prices for capacity and energy adjusted for seasonality and on-peak/off-peak hours in accordance with Commission Order No. 30480.

The Swift Creek facility is interconnected to Lower Valley's electrical system and Lower Valley will transmit net output to PacifiCorp at the Goshen Substation in Idaho by

way of transmission facilities operated by Bonneville Power Administration (BPA). Lower Valley will acquire and pay for a transmission services agreement to schedule and deliver the power to PacifiCorp and PacifiCorp intends to accept scheduled firm delivery by way of BPA of Lower Valley's net output.

The total nameplate capacity of the Swift Creek facility is 940 kilowatts. Lower Valley will be required to provide data on the Facility that PacifiCorp will use to determine whether under normal and/or average conditions: (1) the feasibility that Facility net energy will equal or exceed 4,696,298 kWh in each full calendar year for the full term of the Agreement; and (2) the likelihood that the Facility, under average design conditions, will generate at no more than 10 MW in any calendar month. Agreement ¶ 7. Should the Facility exceed 10 average MW on a monthly basis, PacifiCorp will accept the energy (Inadvertent Energy) that does not exceed the maximum capacity amount, but will not purchase or pay for this Inadvertent Energy. Agreement ¶ 5.3. Lower Valley has elected June 1, 2009 as the commercial operation date for the Swift Creek Facility. Agreement ¶ 2.2.5. Staff is informed that Lower Valley is currently serving Swift Creek output into its own load and will continue to do so until the Agreement is approved.

PacifiCorp requests that the Commission approve the Power Purchase Agreement without change or condition. The Company also requests that the Commission declare that the prices for energy and capacity are just and reasonable, in the public interest, and that the costs incurred by PacifiCorp for purchasing capacity and energy from Lower Valley are legitimate expenses, all of which the Commission will allow PacifiCorp to recover in rates in Idaho in the event other jurisdictions deny recovery of their proportionate share of said expenses.

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filings of record in Case No. PAC-E-09-05. The Commission has preliminarily found that the public interest in this matter may not require a hearing to consider the issues presented and that issues raised by the Company's filing 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 **deadline for filing written comments or protests** with respect to PacifiCorp's Application and the use of Modified Procedure in Case No. PAC-E-09-05 is **Thursday, July 9, 2009**.

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 may 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 written comments concerning Case No. PAC-E-09-05 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 83702-5918

Bruce Griswold, Director
Short-Term Origination
PacifiCorp
825 NW Multnomah, Suite 600
Portland, OR 97232

E-mail: bruce.griswold@pacificorp.com

Daniel E. Solander
Ted Weston
Rocky Mountain Power
201 S. Main, Suite 2300
Salt Lake City, UT 84111

E-mail: daniel.solander@pacificorp.com
ted.weston@pacificorp.com

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. Click on 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.

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 the Application in Case No. PAC-E-09-05 may be viewed at www.puc.idaho.gov by clicking on "File Room" and "Electric Cases," or can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 West Washington Street, Boise, Idaho and at the Idaho offices of PacifiCorp dba Rocky Mountain Power.

DATED at Boise, Idaho this 17th day of June 2009.



Jean D. Jewell
Commission Secretary

bls/N:PAC-E-09-05_sw