

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	
<b>OF PACIFICORP DBA ROCKY MOUNTAIN</b>	)	<b>CASE NO. PAC-E-13-07</b>
<b>POWER FOR APPROVAL OF A POWER</b>	)	
<b>PURCHASE AGREEMENT BETWEEN</b>	)	<b>NOTICE OF APPLICATION</b>
<b>PACIFICORP AND ST. ANTHONY HYDRO,</b>	)	
<b>LLC</b>	)	<b>NOTICE OF</b>
	)	<b>MODIFIED PROCEDURE</b>
	)	
	)	<b>ORDER NO. 32820</b>

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On April 15, 2013, PacifiCorp dba Rocky Mountain Power filed an Application for approval of a Power Purchase Agreement (PPA) between itself and St. Anthony Hydro, LLC. St. Anthony Hydro (a potential “qualifying facility” (QF)) is an Idaho limited liability company that has made an offer to purchase Rocky Mountain’s hydroelectric facility at St. Anthony in Fremont County, Idaho. *See* Case No. PAC-E-13-06. The PPA<sup>1</sup> is contingent on the Commission’s approval of the utility’s application to sell its existing (but inoperable) hydroelectric facility to St. Anthony Hydro. PPA at § 2.1. The hydro facility is not currently in operation but St. Anthony Hydro expects to repair the facility and estimates a capacity rating of 700 kW.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that Rocky Mountain and St. Anthony Hydro entered into their PPA on December 20, 2012. Application at 1. Under the terms of the Agreement, St. Anthony Hydro has contracted to sell the output from its hydroelectric facility to Rocky Mountain for a term of approximately 20 years beginning on or about November 30, 2013. The PPA is structured as a 90-110% banded agreement. Rocky Mountain will pay non-levelized, conforming energy or non-conforming energy prices “for capacity and energy adjusted

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<sup>1</sup> When Rocky Mountain initially filed its Application, the PPA was marked confidential and proprietary. After discussions with Commission Staff, on May 17, 2013, Rocky Mountain resubmitted the PPA as a non-confidential, public document.

for seasonality and On-Peak/Off-Peak Hours in accordance with Commission Order No. [32337].”<sup>2</sup> *Id.* at ¶ 4.

YOU ARE FURTHER NOTIFIED that Section 2.1 of the PPA provides that the contract will not become effective until: (1) the Commission has approved the PPA; and (2) the Commission has approved and the parties have closed on the sale of the hydro facility from PacifiCorp to St. Anthony. Application at ¶ 6.

YOU ARE FURTHER NOTIFIED that the parties have agreed that the commercial operation date for the facility is defined as 180 days after the effective date of the contract. The parties have further agreed that various requirements will be placed upon the QF in order for Rocky Mountain to accept energy deliveries from the facility. *Id.* at ¶ 7. Rocky Mountain will monitor compliance with these initial requirements, and additional requirements through the full-term of the Agreement. The PPA also provides that the renewable energy credits (RECs) will be split between the parties with Rocky Mountain taking the first 10 years of RECs and the QF taking the last 10 years. PPA at § 4.5.

YOU ARE FURTHER NOTIFIED that by its own terms, the PPA will not become effective until the Commission has approved all of the terms and conditions and declared that all payments made by Rocky Mountain to the QF for the purchase of “energy and capacity are just and reasonable, in the public interest, and that cost incurred by PacifiCorp for purchasing capacity and energy from [the QF] 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 proportional share of said expenses.” *Id.* at ¶ 6.

YOU ARE FURTHER NOTIFIED that the utility requests that this Application be processed under Modified Procedure. *Id.* at 11. However, the Company stands ready to present testimony in support of its Application if the Commission determines that a technical hearing is required.

### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED 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

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<sup>2</sup> The Company's Application references Order No. 30480 but the proposed rates contained in the PPA are from Order No. 32337.

of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input.

YOU ARE FURTHER NOTIFIED that the Application and PPA have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and PPA are also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and "Electric Cases," and then clicking on the case number, PAC-E-13-07.

YOU ARE FURTHER NOTIFIED that the Commission does not intend to hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure. Persons desiring a hearing must specifically request a hearing in their written comments and state why Modified Procedure is inappropriate in this case.

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 within twenty-one (21) days from the service date of this Notice.** The comment must contain a statement of reasons supporting the comment. Written comments concerning this Application shall be mailed to the Commission and Rocky Mountain Power 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

Daniel E. Solander  
Senior Counsel  
Ted Weston  
Idaho Regulatory Affairs Manager  
Rocky Mountain Power  
201 S. Main Street, Suite 2300  
Salt Lake City, UT 84111  
E-Mail: [daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com)  
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Bruce Griswold  
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825 N.E. Multnomah, Suite 1800  
Portland, OR 97232  
E-mail: [bruce.griswold@pacificorp.com](mailto:bruce.griswold@pacificorp.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](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 Rocky Mountain at the e-mail addresses listed above.

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. The Commission may enter any final Order consistent with its authority under Title 61.

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.*

### ORDER

IT IS HEREBY ORDERED that this matter be processed under our rules of Modified Procedure, IDAPA 31.01.01.201-.204.

IT IS FURTHER ORDERED that persons interested in filing written comments regarding this matter should do so no later than 21 days of the service date of this Order.

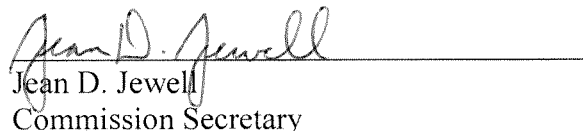
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30<sup>th</sup> day of May 2013.

  
PAUL KJELLANDER, PRESIDENT

  
MACK A. REDFORD, COMMISSIONER

  
MARSHA H. SMITH, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary