

IN THE MATTER OF THE APPLICATION OF)
PACIFICORP DBA ROCKY MOUNTAIN)
POWER FOR APPROVAL OF A POWER)
PURCHASE AGREEMENT WITH LOWER)
VALLEY ENERGY, INC.)
) **CASE NO. PAC-E-14-06**
) **NOTICE OF APPLICATION**
) **NOTICE OF**
) **MODIFIED PROCEDURE**
) **ORDER NO. 33085**

entire contract through September 1, 2014. The Commission approved the addition of the Culinary Facility and extension of the contract term on August 10, 2011. Order No. 32323.

B. The Agreement

YOU ARE FURTHER NOTIFIED that PacifiCorp and Lower Valley executed an agreement on June 17, 2014, pursuant to the terms and conditions of the various Commission Orders applicable to this PURPA agreement for a hydroelectric resource. Under the terms of the PPA, Lower Valley elected to contract with Rocky Mountain for a two-year term using non-levelized published avoided cost rates established at the time of the PPA under Order No. 32817 for energy deliveries of less than 10 average megawatts (aMW).

YOU ARE FURTHER NOTIFIED that the nameplate rating of the facilities as a whole is 1.7 MW. Lower Valley has attested and documented through its generation profile that its facilities will not exceed 10 aMW on a monthly basis. Should the facilities exceed 10 aMW on a monthly basis, Rocky Mountain will accept the energy that does not exceed the maximum facility delivery rate (inadvertent energy), but will not purchase or pay for the inadvertent energy. Furthermore, this PURPA agreement includes the 90-110 performance band as required by Commission Order No. 29632.

YOU ARE FURTHER NOTIFIED that PURPA QF generation must be designated as a network resource on Rocky Mountain's system, which requires the Company's merchant function to submit a Transmission Service Request on behalf of the facilities to PacifiCorp transmission. Submission of this request occurred on May 29, 2014. Upon resolution of any and all required upgrades, if necessary, to acquire network transmission capacity for the facilities' delivery of energy and upon execution of the PPA, the facilities may then be designated as a network resource.

YOU ARE FURTHER NOTIFIED that Lower Valley has also been made aware of and accepted the provisions of the PPA regarding curtailment or disconnection of its facilities should certain operating conditions develop on the Company's system. Section 6 of the PPA defines the condition for curtailment and obligations of Lower Valley in the event of curtailment.

YOU ARE FURTHER NOTIFIED that, by its own terms, the Agreement will not become effective until the Commission has approved all of the terms and conditions and declares that all payments made by Rocky Mountain Power to the project for purchases of energy "are just and reasonable, in the public interest, and that the costs incurred by [Rocky Mountain

Power] for purchases of capacity and energy from [Lower Valley] are legitimate expenses, all of which the Commission will allow [Rocky Mountain Power] to recover in rates in Idaho in the event other jurisdictions deny recovery of their proportionate share of said expenses.” Agreement ¶ 2.1.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing for this Application 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 through .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 the Application may file a written comment in support or opposition with the Commission **no later than Tuesday, August 19, 2014**. 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 the 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
Rocky Mountain Power
201 South Main, Suite 2300
Salt Lake City, UT 84111
E-Mail: daniel.solander@pacificorp.com

Ted Weston
Rocky Mountain Power
201 South Main, Suite 2300
Salt Lake City, UT 84111
E-Mail: ted.weston@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. 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 Rocky Mountain Power 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 the Application on its merits and enter an 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 and supporting workpapers have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application is 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.

YOU ARE FURTHER NOTIFIED that all proceedings in these cases will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and the Public Utility Regulatory Policies Act of 1978 (PURPA). 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.

YOU ARE FURTHER NOTIFIED that all proceedings regarding the Application 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 case be processed under Modified Procedure. Interested persons and the parties may file written comments no later than August 19, 2014.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30th
day of July 2014.



PAUL KJELLANDER, PRESIDENT

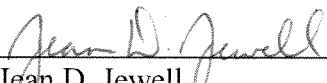


MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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