



windstar farm

1908 e 1300 s ★ hazelton, idaho 83335

RECEIVED

2015 MAR 30 AM 9:01

IDAHO PUBLIC
UTILITIES COMMISSION

March 28, 2015

Idaho Public Utilities Commission

PO Box 83720

Boise ID 83720-0074

Re: IPC-E-15-01

Commissioners:

I'm writing in opposition to Idaho Power Company's proposal to reduce the term of PURPA contracts from 20 to two years. Such a proposal is a back-door way to gut the PURPA law that will surely bring to a halt further development of renewable energy in Idaho.

As a deep-well irrigator with electricity bills in the thousands of dollars, I recognize the impact of increasing energy costs. However, just as difficult to work with are erratic rates that adjust in either direction year-to-year (as is common because of IPCO's reliance on hydro and fossil fuels).

Even as IPCO touts having hydro as half its energy portfolio, its 2013 annual report details why such an over-reliance on water power can be a liability. The report notes that IPCO's hydro generation fell from 10.9 million MWh in 2011 to 5.7 million MWh in 2013, a result of reduced flows in the Snake River. Among the risk factors cited in the report as having the potential to negatively impact the company are weather and reduced water flows, as well as the environmental regulations and mitigation projects required in conjunction with the operation of its dams. Ironically, advances in solar efficiency are also cited as a potential risk to the company's profitability.

Stable, low-impact, long-term energy sources, such as solar and geothermal, would be a welcome offset to IPCO's declining hydro generation, and wouldn't be subject to the volatility of the fossil fuel market.

Idaho hasn't been blessed with abundant fossil fuel resources like other states, and its primary energy source — water — is declining. If this state has any hope of becoming more energy independent, it will have to be through the development of solar, geothermal and wind projects. IPUC should encourage the development of such resources, as it's in the best interest of the ratepayers in the long run.

Regards,

Steven Huettig, President
Windstar Farm, Inc.