

*Alan Richardson*  
121 Audubon Place  
Hailey, ID 83333

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IDAHO PUBLIC  
UTILITIES COMMISSION

May 22, 2015

Idaho Public Utilities Commission  
P.O. Box 83720  
Boise, Idaho 83720-3762

Re: IPC-E-15-01

Dear Commissioners:

I appreciate the opportunity to comment on Idaho Power's filing with the PUC in the above referenced docket. Idaho Power has proposed to shorten the length of PURPA contracts from the current 20-year period to 2 years. This proposal is inconsistent with the intent of Congress in enacting PURPA in 1978. If adopted, it will seriously and adversely undermine the ability of independent renewable energy companies to develop new renewable energy facilities here in Idaho. And it will slow the introduction of homegrown, environmentally friendly sources of electricity in Idaho.

President Jimmy Carter's National Energy Plan was submitted to Congress in April 1977. A White House fact sheet issued on April 27, 1977 discussed the purpose, goals and objectives of the plan (<http://www.presidency.ucsb.edu/ws/?pid=7373>). Among other things the Plan was designed to: "develop the new, unconventional sources of energy we will rely on in the next century;" develop "renewable and essentially inexhaustible sources of energy for sustained economic growth;" "be fair;" "protect the environment;" and provide prices to consumers that "reflect the true replacement cost of energy."

These principles are all reflected in what became the Public Utility Regulatory Policies Act of 1978, one of five parts of President Carter's National Energy Plan. It is that Act that requires electric utilities to purchase power from specific energy generating facilities, which are for the most part co-generation and renewable energy facilities, including solar photovoltaic facilities.

In at least one respect PURPA was revolutionary. It breached the monopoly position held by electric utilities that allowed them to control not only transmission and distribution but also generation. Electric utilities opposed the requirements imposed on them by PURPA, and many continue to oppose PURPA's goals and objectives today. Their efforts include proposals to eliminate renewable portfolio standards in the states where they exist, construct obstacles to make sales from qualifying facilities more difficult, and undermine the efficacy of PURPA's requirements through seemingly subtle changes such as reduction in the required length of PURPA contracts.

Idaho Power undoubtedly recognizes the fact that two year PURPA contracts are a nearly insurmountable obstacle to the non-utility development of renewable energy facilities. It is simply impossible to finance these capital-intensive projects in the absence of long-term commitments. Approving Idaho Power's request seriously undermines if not completely frustrates the ability of independent clean energy companies to provide reliable, fair-priced, environmentally friendly energy.

The benefits to Idaho of promoting the development and utilization of renewable energy facilities are many. These businesses are investing millions of dollars in Idaho. The energy they produce (or, more accurately, the solar energy they capture) is locally grown. They are creating jobs and growing our tax base. They are, to paraphrase the words of the 1977 White House fact sheet, developing the sources of energy we must rely on in the 21<sup>st</sup> Century. And they are doing so under a program that is fair, is based on prices that reflect replacement costs (avoided costs), and, perhaps more important than anything else, protecting the environment.

I urge you to oppose Idaho Power's proposal.

Sincerely,



Alan Richardson