

the prices to be paid for energy and capacity are just and reasonable and in the public interest, and that all of the costs incurred by [Rocky Mountain] for purchasing capacity and energy from CIC are legitimate expenses.” *Id.* at 3. Rocky Mountain anticipates CIC will achieve its commercial operation date before its effective date. *Id.*

STAFF COMMENTS

Staff reviewed the Application and attachments. Staff confirmed that the proposed rates are correct and that all other terms and conditions in the proposed Agreement are consistent with prior Commission Orders. Staff therefore recommended the Commission approve all of the Agreement’s terms and conditions and declare that all payments made by the Company to CIC to purchase power will be allowed as prudently incurred expenses for ratemaking purposes.

DISCUSSION AND FINDINGS

The Idaho Public Utilities Commission has jurisdiction over PacifiCorp, an electric utility, and the issues raised in this matter under the authority and power granted it under Title 61 of the Idaho Code and PURPA. The Commission has authority under PURPA and Federal Energy Regulatory Commission (FERC) regulations to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from QFs, and to implement FERC rules.

The Commission has reviewed the record in this case, including the Application, the Agreement, and the comments of Commission Staff. We find that CIC is qualified to receive the non-levelized published avoided cost rates contained in the Agreement. We further find that the proposed Agreement contains acceptable contract provisions consistent with PURPA, FERC regulations, and this Commission’s prior Orders. We find it reasonable to allow payments made under the Agreement as prudently incurred expenses for ratemaking purposes.

ORDER

IT IS HEREBY ORDERED that PacifiCorp’s Application to approve its Power Purchase Agreement with CIC is approved without change or condition. We further declare that all payments made by PacifiCorp to CIC for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7)

days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this **27th** day of October 2015.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


KRISTINE RAPER, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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