

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF PACIFICORP DBA)
ROCKY MOUNTAIN POWER'S REQUEST) CASE NO. PAC-E-16-08
TO UPDATE THE WIND INTEGRATION)
CHARGE APPLIED TO ITS PURPA)
PUBLISHED AVOIDED COST RATES) ORDER NO. 33475
_____)**

On January 20, 2016, PacifiCorp dba Rocky Mountain Power (Company or Rocky Mountain) submitted a request to update the wind integration charge that is applied as a discount to the Company's published avoided cost rates under the Public Utility Regulatory Policies Act (PURPA). This matter came before the Commission at its regularly scheduled Decision Meeting on February 29, 2016. As set forth below, we grant the request without further process.

BACKGROUND

In 2008, the Commission approved a stipulation between parties in Case No. PAC-E-07-07¹ that Rocky Mountain shall "file notice with the Commission of any changes to its wind integration charge as reflected in subsequent changes to its [Integrated Resource Plan] IRP." Order No. 30497. Rocky Mountain's wind integration costs have not been updated since 2010, when the charge was set at \$6.50 per megawatt-hour (MWh). Order No. 31021.

In March 2015, the Company filed its 2015 IRP with the Commission, which we acknowledged in Order No. 33396. The 2015 IRP contains the Company's 2014 Wind Integration Study. The Company now requests that its wind integration charge, for wind qualifying facilities (QFs) under PURPA, be updated to \$3.06 per MWh to reflect the costs determined in that 2014 study.

STAFF RECOMMENDATION

Staff reviewed the Company's compliance filing and determined that the integration charge of \$3.06 MWh is reasonable. Staff recommended that the Commission approve the new rate without further process.

¹ Besides Rocky Mountain, the parties in that case included Staff, Intermountain Wind, Exergy, Renewable Northwest Project, NW Energy Coalition, Idaho Windfarms, Avista, INL Biofuels, and Renewable Energy Technologies Department.

DISCUSSION AND FINDINGS

The Idaho Public Utilities Commission has jurisdiction over Rocky Mountain, 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. *See Idaho Power Co. v. Idaho PUC*, 155 Idaho 780, 782 (2013) (the PUC has discretion in determining how FERC rules will be implemented). We are familiar with Rocky Mountain's 2015 IRP and its 2014 Wind Integration Study and have reviewed the Company's filing and Staff's comments.

We note that the 2014 Wind Integration Study was thoroughly vetted through a public process involving active participation by Commission Staff from multiple states and representatives from customer, environmental, and other advocacy groups. Given the information before us, we find that the \$3.06 per MWh wind integration charge, as determined in that study, is reasonable.

The Commission has authority, for good cause shown, to approve a change such as that requested here, on less than 30 days' notice. *Idaho Code* § 61-307. We find good cause to approve Rocky Mountain's updated wind integration charge without further process for a few reasons. First, the wind integration charge is applied only to wind projects utilizing published avoided cost rates, for which eligibility is now limited to projects smaller than 100 kW. Order No. 32697. Wind facilities smaller than 100 kW are very rare. Consequently, we do not anticipate an influx of wind projects that would be affected by the change in wind integration charge. Also, the wind integration charge is applied as a discount to avoided cost rates, thus the decrease in the charge – to less than half of the current charge – favors wind QFs and is unlikely to elicit opposition. Finally, in the event anyone wishes to challenge the adoption of the new charge, they may seek reconsideration.

For the foregoing reasons, we approve the change to Rocky Mountain's wind integration charge, effective on the service date of this Order.

ORDER

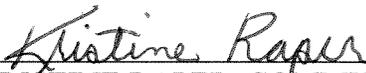
IT IS HEREBY ORDERED that Rocky Mountain's request to update the wind integration charge applied to its PURPA published avoided cost rates to \$3.06 per MWh is approved as set forth herein.

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 3rd day of March 2016.



PAUL KJELLANDER, PRESIDENT

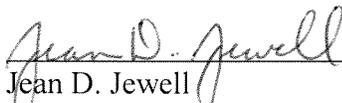


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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