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UTILITIES COMMISSION

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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
ROCKY MOUNTAIN POWER FOR APPROVAL)	CASE NO. PAC-E-17-14
OF POWER PURCHASE AGREEMENT)	
BETWEEN PACIFICORP AND THE CITY OF)	COMMENTS OF THE
PRESTON, IDAHO.)	COMMISSION STAFF
)	
)	

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its attorney of record, Camille Christen, Deputy Attorney General, and in response to the Notice of Application and Notice of Modified Procedure issued in Order No. 33960 on January 8, 2018, in Case No. PAC-E-17-14, submits the following comments.

BACKGROUND

On December 22, 2017, Rocky Mountain Power applied to the Commission for an Order approving or rejecting its proposed Power Purchase Agreement (PPA) with the City of Preston, Idaho. Rocky Mountain Power explains the proposed PPA would replace an agreement with an existing “qualifying facility” (QF) under the Public Utility Regulatory Policies Act (PURPA). Application at 3. Rocky Mountain Power explains the proposed PPA is a renewal contract with an existing 400 kilowatt hydroelectric QF under PURPA. *Id.* at 3. The proposed PPA would replace a prior agreement that was in effect from 1982 until it expired on December 31, 2017. *Id.* at 3-4.

Since the prior agreement has expired and the proposed PPA is not yet effective, the Company also seeks permission to continue buying the QF's power under the prior agreement until the Commission approves or rejects the proposed PPA. The Company states it and the QF have agreed that the price the Company pays for power after 2017 will be trued-up to the price it would have paid if the proposed PPA had been in effect. *Id.* at 4.

The Commission issued a Notice of Application and Notice of Modified Procedure, Order No. 33960, in which it also granted the Company permission to continue to buy power from the QF under the prior agreement until the proposed PPA is approved or rejected. Order No. 33960. Prices paid after 2017 are to be trued-up to the price that would have been paid under the proposed PPA. *Id.*


STAFF ANALYSIS

Staff has reviewed the proposed rates and confirms they are correct. All other terms and conditions contained in the proposed Agreement are consistent with prior Commission orders.

STAFF RECOMMENDATION

Staff recommends that the Commission approve all of the Agreement's terms and conditions and declare that all payments made by Rocky Mountain Power to the City of Preston for purchase of energy will be allowed as prudently incurred expenses for ratemaking purposes.

Respectfully submitted this 29th day of January 2018.


Camille Christen
Deputy Attorney General

Technical Staff: Yao Yin
Kevin Keyt

i:umisc/comments/pace17.14ccyykk comments


CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 29th DAY OF JANUARY 2018, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. PAC-E-17-14, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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