BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF PACIFICORP DBA UTAH POWER & LIGHT COMPANY’S 1995 ELEC­TRIC RESOURCE AND MARKET PLANNING PROGRAM (RAMPP-4). | ))))) | CASE NO. UPL-E-95-5MINUTE ENTRY |

On November 27, 1995, PacifiCorp dba Utah Power & Light Company (Utah Power; Company) filed its 1995 electric Resource and Market Planning Program (RAMPP-4; IRP) with the Idaho Public Utilities Commission (Commission).  The Company’s filing complies with the Commission’s direction in Order No. 22299 issued January 27, 1989 which requires Utah Power to file a biennial resource management report (now Integrated Resource Plan (IRP)) describing the status of the Company’s electric resource planning.

As a result of the Commission’s Order No. 25882 in Utah Power Case No. UPL-E-93-7 the Company’s RAMPP-4 is important and significant in the calculation of avoided costs for qualifying facilities greater than 1 megawatt (MW) in size pursuant to the Public Utility Regulatory Policies Act of 1978 (PURPA).  As an operative planning tool, the IRP also has significance for smaller QFs whose rates are published under the Surrogate Avoided Resource (SAR) methodology.

On July 17, 1995, Idaho Power Company filed an Application with the Commission in Case No. IPC-E-95-9 proposing an avoided cost IRP methodology, a proposed procedure and method for utilizing the utility’s IRP for calculating avoided costs.  Because of the generic implications of the filing, PacifiCorp dba Utah Power & Light Company and The Washington Water Power Company were made parties to the proceeding and interested parties were permitted to intervene.  On September 4, 1996, the Commission issued final Order No. 26576 in Case No. IPC-E-95-9 approving a Settlement Stipulation tendered by Staff and the utilities. The Commission approved IRP methodology was found to more closely reflect the manner in which utilities acquire and price generation resources than did the use of a single, hypothetical power plant.

A Notice of Filing and Modified Procedure in Case No. UPL-E-95-5 was issued by the Commission Secretary on February 9, 1996.  Utah Power was provided the opportunity to submit updated data and proposed changes to its RAMPP-4 so as to facilitate and accommodate its use for calculation of avoided cost rates.  The Company made no additional filing.  The deadline for filing written comments or protests with respect to Utah Power’s 1995 IRP was April 26, 1996.  The Commission Staff (Staff) was the only party to file written comments.  Staff reviewed the Company’s 1995 IRP and recommends that it be accepted for filing.

The Commission has read with interest the comments filed by Commission Staff in this case and encourages the Company to consider the comments in the preparation of its next IRP.  We share Staff’s concerns regarding service reliability and adequate capacity/energy reserve margins in what is becoming a more competitive electric market.

By this Minute Entry the Commission accepts Utah Power & Light Company’s 1995 Electric Resource and Market Planning Program (RAMPP-4) and closes the docket in Case No. UPL-E-95-5.  Our acceptance of the Company’s 1995 RAMPP-4 should not be interpreted as an endorsement of any particular element of the report, nor does it constitute approval of any resource acquisition or proposed action contained in the report.  The Company’s RAMPP-4 was submitted in response to Commission Order No. 22299 in Case No. U-1500-165.  That case was initiated by the Commission to determine the direction, future and scope of electric utility conservation and weatherization programs in Idaho.  In that Order, the Commission directed each electric utility to submit a report of the status of its resource planning.  That report is to recognize the managerial aspects of owning and maintaining existing resources as well as procuring new resources and avoiding/reducing load.  We believe Utah Power’s 1995 RAMPP-4 fulfills that requirement.  This Commission will continue to explore and seeks utility and other input into the continued role and format of utility IRP and Conservation Plans with the restructuring of the electric industry.

DATED this                  day of December 1996.

                                                                                                                                       RALPH NELSON, PRESIDENT

                                                                                            MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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