DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

DAVID SCOTT

WORKING FILE

FROM:SCOTT WOODBURY

DATE:MARCH 11, 1997

RE:CASE NO.  UPL-E-97-1

RAMPP-4 UPDATE (UP&L)

On November 27, 1995, PacifiCorp dba Utah Power & Light Company (Utah Power; Company) filed in Case No. UPL-E-95-5 its 1995 electric Resource and Market Planning Program (RAMPP-4; IRP) with the Idaho Public Utilities Commission (Commission).  By Minute Entry signed December 31, 1996, the Commission accepted the Company’s RAMPP-4 and closed the docket.  In its Minute Entry, the Commission acknowledged that the Company’s filing complied with the Commission’s direction in Order No. 22299 issued January 27, 1989, which requires Utah Power to file a biennial Resource Management Report describing the status of the Company’s electric resource planning.

On December 16, 1996, Utah Power submitted, in what was later designated Case No. UPL-E-97-1, a RAMPP-4 Update (Update).  Due to increasing competition and government actions, the Company notes that the electric utility industry is moving from regulated monopolies to competitive markets.  Six major events in 1996, the Company states, have affected planning: FERC Orders 888 and 889, regional outages, independent system operator (ISO) developments, resolution of Centralia emission reductions, the Northwest Comprehensive Review, and California restructuring.  Changes within the industry, the Company contends, require changes in the IRP process.  The Company represents that the purpose of the filed Update is to assess changing market conditions based on more current information and to provide an up-to-date assessment of cost-effective DSM and the timing for resource decisions.  The new base case for the Company shows a need for a new cogeneration unit in 2002.  The Update also indicates a reduction of the DSM target for 1997 from 25 MWa, identified in RAMPP-4 as cost effective, to 15.7 MWa.

The Commission is apprised that the Update filed in this case is not intended to replace the Company’s 1997 RAMPP-5 which will be filed later this year.

Commission Decision

Staff recommends that the Company’s Update filing be processed pursuant to Modified Procedure, that a Notice of Filing be issued and that comments be solicited.  Does the Commission agree that this is an appropriate procedure?  If not, what is the Commission’s preference?

Scott Woodbury

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