

Idaho Public Utilities Commission

Case No. PAC-E-14-06, Order No. 33085

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Rocky Mountain seeks approval of sales agreement with PURPA hydroelectric project in Wyoming

BOISE (July 31, 2014) – The Idaho Public Utilities Commission is accepting comments through August 19 regarding Rocky Mountain Power’s application to buy energy from the Lower Valley Energy, Inc. hydroelectric project near Afton, Wyo.

The Lower Valley Energy project includes three separate generating facilities totaling 1.7 megawatts. The proposed contract is for two years. The chief executive officer of Lower Valley Energy is Jim Webb of Afton.

The facilities qualify under the provisions of the Public Utility Regulatory Policies Act of 1978, or PURPA. The act requires that electric utilities offer to buy power produced from qualifying small-power producers. The rate to be paid small-power producers is determined by the commission and is called an “avoided-cost rate” because it is to be equal to the cost the electric utility avoids if it would have had to generate the power itself or purchase it from another source. The commission must ensure the avoided-cost rate is reasonable for utility customers because 100 percent of the price utilities pay to qualifying small-power producers is included in customer rates.

The agreement proposes non-levelized payments from Rocky Mountain to Lower Valley Energy that gradually increase throughout the life of the contract. Beginning in 2014, the proposed rate is \$55.21 per megawatt-hour, \$56.89 per MWh in 2015 and \$62.17 per MWh in 2016. The payment is adjusted slightly to account for on-peak and off-peak hours.

Comments are accepted via e-mail through August 19 by accessing the commission’s Website at www.puc.idaho.gov and clicking on “Case Comment Form,” under the “Electric” heading. Fill in the case number (PAC-E-14-06) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

A full text of the commission’s order, along with other documents related to these cases, is available on the commission’s Web site. Click on “Open Cases” under the “Electric” heading and scroll down to the above case numbers.

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