

RECEIVED

2019 DEC -5 PM 2: 01

IDAHO PUBLIC
UTILITIES COMMISSION

DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

December 5, 2019

VIA HAND DELIVERY

Diane M. Hanian, Secretary
11331 W. Chinden Boulevard
Building 8, Suite 201-A
Boise, Idaho 83714

Re: Case No. IPC-E-19-35
Little Wood River Reservoir Hydro PURPA Project Energy Sales Agreement
Replacement Page 39

Dear Ms. Hanian:

On November 8, 2019, in Case No. IPC-E-19-35, Idaho Power Company ("Idaho Power") filed an Application with the Idaho Public Utilities Commission ("Commission") regarding an Energy Sales Agreement ("ESA") between Idaho Power and Little Wood Irrigation District ("Little Wood") under which Idaho Power will purchase electric generation from the Little Wood River Reservoir Hydro Qualifying Facility.

Commission Staff identified clerical errors on page 39 of Appendix B of the ESA. The beginning of the second sentence of Section B-7, page 39, should include the phrase: "The DNR status will continue if"

Idaho Power has spoken with Little Wood about this issue and sent replacement pages for the ESA to Little Wood and Commission Staff on November 21, 2019. Therefore, enclosed please find an original and seven (7) copies of replacement page 39 of Appendix B of the ESA between Idaho Power and Little Wood.

Very truly yours,



Donovan E. Walker

DEW/kkt
Enclosures
cc w/encl: Dayn Hardie
Yao Yin

Commission approves the replacement Agreement and the Seller completes all of the Article IV and Article V requirements prior to March 1, 2020.

B-4 MAXIMUM CAPACITY AMOUNT:

The Maximum Capacity Amount is 2,850 kW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. This value is the maximum generation (kW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 POINT OF DELIVERY

"Point of Delivery" means, unless otherwise agreed by both Parties, the point of where the Seller's Facility energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA will become an integral part of this Agreement.

B-6 LOSSES

If the Idaho Power metering equipment is capable of measuring the energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, no Losses will be calculated for this Facility. If the Idaho Power metering equipment is unable to measure the energy deliveries directly at the Point of Delivery, the Losses will be calculated. This loss calculation is currently set at 1.127% of the kWh electricity production recorded on the Facility generation metering equipment. If at any time during the term of this Agreement, Idaho Power determines that the loss calculation needs to be revised due to a change in the electrical equipment or some other factor, then Idaho Power may adjust the calculation and retroactively adjust the previous month's kWh loss calculations.

B-7 DESIGNATED NETWORK RESOURCE (DNR)

This Facility is an Idaho Power DNR pursuant to an existing energy sales agreement. The DNR status will continue if this Agreement is 1) executed and approved by the Commission, and 2) a

GIA has been executed by both parties and 3) the Seller is in compliance with all requirements of that GIA.

Idaho Power cannot accept or pay for generation from this Facility if the Facility has not achieved the status of being an Idaho Power DNR. Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application in a timely manner is contingent upon timely receipt of the required information from the Seller. Prior to Idaho Power beginning the process to enable Idaho Power to submit a request for DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **Seller's failure to provide complete and accurate information in a timely manner can significantly impact Idaho Power's ability and cost to attain the DNR designation for the Seller's Facility and the Seller shall bear the costs of any of these delays that are a result of any action or inaction by the Seller.**

Commission approves the replacement Agreement and the Seller completes all of the Article IV and Article V requirements prior to March 1, 2020.

B-4 MAXIMUM CAPACITY AMOUNT:

The Maximum Capacity Amount is 2,850 kW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. This value is the maximum generation (kW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 POINT OF DELIVERY

"Point of Delivery" means, unless otherwise agreed by both Parties, the point of where the Seller's Facility energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA will become an integral part of this Agreement.

B-6 LOSSES

If the Idaho Power metering equipment is capable of measuring the energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, no Losses will be calculated for this Facility. If the Idaho Power metering equipment is unable to measure the energy deliveries directly at the Point of Delivery, the Losses will be calculated. This loss calculation is currently set at 1.127% of the kWh electricity production recorded on the Facility generation metering equipment. If at any time during the term of this Agreement, Idaho Power determines that the loss calculation needs to be revised due to a change in the electrical equipment or some other factor, then Idaho Power may adjust the calculation and retroactively adjust the previous month's kWh loss calculations.

B-7 DESIGNATED NETWORK RESOURCE (DNR)

This Facility is an Idaho Power DNR pursuant to an existing energy sales agreement. The DNR status will continue if this Agreement is 1) executed and approved by the Commission, and 2) a GIA has been executed by both parties and 3) the Seller is in compliance with all requirements of that GIA.

Idaho Power cannot accept or pay for generation from this Facility if the Facility has not achieved the status of being an Idaho Power DNR. Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application in a timely manner is contingent upon timely receipt of the required information from the Seller. Prior to Idaho Power beginning the process to enable Idaho Power to submit a request for DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **Seller's failure to provide complete and accurate information in a timely manner can significantly impact Idaho Power's ability and cost to attain the DNR designation for the Seller's Facility and the Seller shall bear the costs of any of these delays that are a result of any action or inaction by the Seller.**