

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: EDWARD JEWELL
DEPUTY ATTORNEY GENERAL

DATE: NOVEMBER 13, 2020

SUBJECT: IN THE MATTER OF IDAHO POWER'S PETITION TO DETERMINE THE PROJECT ELIGIBILITY CAP FOR PUBLISHED AVOIDED COST RATES AND THE APPROPRIATE CONTRACT LENGTH FOR ENERGY STORAGE QUALIFYING FACILITIES; CASE NO. IPC-E-20-02.

On January 21, 2020, Idaho Power Company ("Idaho Power" or "Company") filed a petition with the Idaho Public Utilities Commission ("Idaho PUC") requesting the Idaho PUC determine the appropriate project eligibility cap and contract term for energy storage qualifying facilities ("QF" or "QFs") under the Public Utility Regulatory Policies Act of 1978 ("PURPA"). Petition at 11.

On October 2, 2020, the Commission issued a final order approving the Company's request. Order No. 34794. The Commission also ordered the Company to submit a compliance filing implementing a new method to calculate avoided capacity costs. The Commission stated,

To properly compensate QF projects for capacity during the hours when capacity costs can be avoided, the avoided cost of capacity should be paid only on production during the hours identified as the Company's peak hours. The Duke Energy Method is one method that will accomplish this objective. It will provide greater compensation to QF projects during the hours when generation is needed to actually avoid capacity costs and will replace the averaging of capacity payments over all hours. We direct the Company to make a compliance filing within 30 days implementing this new method. An energy storage QF will continue to lock-in the first capacity deficit date when it establishes a legally enforceable obligation or signs a contract with the utility. . . .

Order No. 34794 at 14.

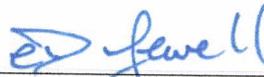
On October 30, 2020, the Company submitted a compliance filing pursuant to Order No. 34794.

STAFF RECOMMENDATION

Staff recommends the Commission continue to process the case by modified procedure and establish a comment deadline of December 29, 2020, and a reply comment deadline of January 12, 2021, to review the compliance filing.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Compliance Filing establishing a comment deadline of December 29, 2020, and a reply comment deadline of January 12, 2021?



Edward J. Jewell
Deputy Attorney General

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