

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 84

In the Matter of
IDAHO POWER COMPANY,
2023 Integrated Resource Plan.

THE RENEWABLE ENERGY
COALITION’S SUPPLEMENTAL
COMMENTS

I. INTRODUCTION

The Renewable Energy Coalition (the “Coalition”) respectfully submits these Supplemental Comments (“Supplemental Comments”) for consideration by the Oregon Public Utility Commission (the “Commission” or “OPUC”) in the matter of Idaho Power Company’s (“Idaho Power’s”) 2023 Integrated Resource Plan (“IRP”). Specifically, the Coalition responds to new arguments raised by Idaho Power for the first time in Idaho Power’s Final Reply Comments filed on May 23, 2024.

Idaho Power argues the zero percent wind qualifying facility (“QF”) renewal rate is reasonable and cites an Idaho Public Utilities Commission (“IPUC”) order. The IPUC and the OPUC have different planning paradigms, and the IPUC order does not accept, acknowledge, or approve Idaho Power’s wind QF renewal assumptions. The IPUC order to re-examine QF renewal assumptions aligns with what Staff is proposing here. If the Commission did not direct Idaho Power to update its wind QF renewal rate because of the IPUC order, then the Commission would be abandoning its own IRP review process in which the OPUC reviews the underlying assumptions and conclusions for their reasonableness. The Commission should not refuse to conduct its more robust review

simply because other states conduct a less rigorous or prescriptive process. Thus, the IPUC order does not prevent the Commission from directing Idaho Power to use a specific wind QF renewal rate, and the Commission should adopt Staff's recommendation to direct Idaho Power to use a 75 percent wind QF renewal rate for the next IRP.

II. COMMENTS

Idaho Power argues a zero percent wind QF renewal rate assumption is reasonable and states it uses this assumption in response to an order from the IPUC and asserts that a prescriptive approach by the Commission would run counter to that order.¹ Specifically, the order states:

Idaho Power responded to numerous party comments by indicating it will continue to work with [IRP Advisory Council "IRPAC"] to address the concerns raised by the parties. We believe that approach is a good practice and that IRPAC is the proper forum to work through the technical issues and disputes. Idaho Power's presumption that PURPA contracts will renew, and the associated impact on Idaho Power's [load and resource balance], should be examined in both Idaho Power's forthcoming capacity deficit filing and in IRPAC meetings.²

The Coalition strongly disagrees with Idaho Power's interpretation of the IPUC order. Idaho Power first fails to explain that there are radically different planning and regulatory paradigms in Idaho and Oregon, and it is not possible for there to be a conflict between Oregon and Idaho if the Commission adopts Staff and the Coalition's

¹ Idaho Power's Final Reply Comments at 17-18 (May 23, 2024).

² *In re Idaho Power – Application for Acceptance of 2019 Integrated Resource Plan*, IPUC Case No. IPC-E-19-19, Order No. 34959 at 26 (Mar. 16, 2021).

recommendations in this case. Idaho Power also does not accurately characterize the IPUC order's conclusions and fails to point out that the IPUC Staff actually makes a stronger recommendation regarding QF assumptions than either the Oregon Staff or the Coalition.

The IPUC is similar to most other states and unlike Oregon in that it does not issue strong prescriptive orders on IRPs. Typically, the IPUC focuses on whether the utility followed any IRP rules. Specifically, the IPUC has stated:

[The IRP] is a plan, not a blueprint, and by issuing this Order we merely acknowledge *Idaho Power's ongoing planning process*, not the conclusions or results reached through that process. With this Order, the Commission does not approve the IRP or any resource acquisitions referenced in it, endorse any particular element in it, opine on Idaho Power's prudence in selecting the IRP's preferred resource portfolio, or allow or approve any form of cost recovery. The appropriate place to determine the prudence of the IRP or Idaho Power's decision to follow or not follow it, and the validation of predicted performance under the IRP, is a general rate case or other proceeding where the issue is noticed.³

Thus, the IPUC does not opine or endorse any specific planning assumption in the IRP or direct a utility to assume something specific.

The IPUC order supports Staff's and the Coalition's positions in this case by directing Idaho Power to revisit its QF planning assumptions. Consistent with Idaho policy, the IPUC order does not accept, acknowledge, or approve Idaho Power's QF renewal assumptions. However, the IPUC Staff identified concerns with Idaho Power's wind QF planning assumptions, and the IPUC "Staff stated that Idaho Power should

³ IPUC Case No. IPC-E-19-19, Order No. 34959 at 25 (emphasis in original).

assume all PURPA contracts, including wind, will be renewed when they expire.”⁴ The IPUC noted this concern, and directs Idaho Power to re-examine the renewal rate.

The IPUC was not opining on Idaho Power’s specific QF renewal assumptions, but following its standard approach related to any disputed issue in an IRP by directing the utility to continue to review the issue in its advisory group. Further, based upon the Coalition’s members who participated in the IRPAC meetings in 2023, Idaho Power did not fully or accurately explain the reasoning behind a zero percent renewal assumption for wind QFs, even though various members of the IRPAC indicated a concern with those assumptions. It is unreasonable to say Idaho Power cannot use a 75 percent wind QF renewal rate because of this IPUC order.

If the Commission relied upon the IPUC order to not provide direction to Idaho Power in this Oregon IRP, then the Commission would be abandoning Oregon’s entire IRP process and should not provide guidance or direction on any aspects of the IRP. The IPUC’s process is much different than the OPUC, which reviews far more than simply the ongoing planning process but reviews the reasonableness of the conclusions or results reached by the utility. The OPUC’s order on acknowledgment of an IRP means “the plan seemed reasonable at the time acknowledgment was given.”⁵

In Oregon, the OPUC can provide specific direction to the utility regarding any different analyses or actions the utility should do in its next IRP.⁶ The OPUC must

⁴ IPUC Case No. IPC-E-19-19, Order No. 34959 at 14.

⁵ *In re Investigation Into Integrated Resource Planning*, Docket No. UM 1056, Order No. 07-002 at 2 (Jan. 8, 2007).

⁶ OAR 860-027-0400(10).

consider stakeholder comments and recommendations before issuing an order on acknowledgment of the IRP.⁷ Additionally, the OPUC had adopted IRP Guidelines, which includes guidelines on public involvement, review of the IRP, acknowledgment of the IRP, and direction for future IRPs.⁸ It is common for the Commission to direct a utility to change its assumptions for the next IRP.⁹

Thus, it is reasonable and standard operating procedure for the Commission to direct a utility to make specific changes in the IRP, including assuming a specific QF renewal rate in the next IRP. Additionally, this direction does not interfere with the IPUC's order because the IPUC order merely directed Idaho Power to re-examine its rate and did not disclose Idaho Power from using any specific assumption.

III. CONCLUSION

The Commission should adopt Staff's recommendation regarding wind QF renewal assumptions.

⁷ OAR 860-027-0400(8).

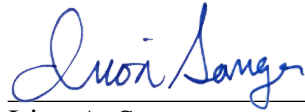
⁸ Docket No. UM 1056, Order No. 07-002 (specifically see Guidelines 2 and 3); Docket No. UM 1056, Order No. 07-047 (Feb. 9, 2007).

⁹ *See, e.g., In re PGE 2023 Clean Energy Plan and Integrated Resource Plan*, Docket No. LC 80, Order No. 24-096 (Apr. 18, 2024).

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Respectfully submitted,

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