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VIA ELECTRONIC MAIL

PUC Filing Center
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088

**Re: UM 1610 – In the Matter of OREGON PUBLIC UTILITY COMMISSION, Investigation
into Qualifying Facility Contracting and Pricing**

Attention Filing Center:

Attached for filing in the above-captioned docket is an electronic copy of Idaho Power
Company's Response to PacifiCorp's Motion to Close Docket.

Please contact this office with any questions.

Very truly yours,

Wendy McIndoo
Office Manager

Attachment

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 1610

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON,

Investigation into Qualifying Facility
Contracting and Pricing.

**IDAHO POWER COMPANY'S RESPONSE
TO PACIFICORP'S MOTION TO CLOSE
DOCKET.**

On March 15, 2017, PacifiCorp dba Pacific Power (PacifiCorp) filed a motion with the Public Utility Commission of Oregon (Commission) requesting that this docket be closed (PacifiCorp's Motion). Idaho Power Company (Idaho Power) supports PacifiCorp's Motion for the following reasons.

In June of 2012 the Commission opened this docket as a generic investigation into the pricing and terms applicable to qualifying facilities (QF) contracts under the Public Utility Regulatory Policies Act of 1978 (PURPA).¹ Nearly five years later—and after two separate phases of the case—one issue remains in dispute: *How should PacifiCorp allocate costs to transmit QF energy out of a load pocket, when third-party transmission is required to do so.* This issue was originally raised by PacifiCorp in an Advice Filing made in 2011 in UE 235, and was later added to the issues to be addressed in UM 1610. Idaho Power believes that it is no longer appropriate for the Commission to address the third-party transmission issue in this docket, and therefore the docket should be closed.

First, as stated above, this docket was opened as a generic investigation to address the implementation of QF contracts under PURPA—as applied to all three utilities: PacifiCorp, Portland General Electric, and Idaho Power. However, of the three utilities, the

¹ Notice of Events issued June 29, 2012.

1 appropriate allocation of third-party transmission costs has always been an issue applicable
2 only to PacifiCorp,² for reasons that are unique to PacifiCorp's system. As stated by Idaho
3 Power repeatedly in this case:

4 [T]his issue . . . stems largely from operational aspects
5 relevant to PacifiCorp's system. . . . Idaho Power does not
6 have any existing or proposed QF projects that would
7 require the use of third-party transmission to move the QF
8 generation from a load pocket to load.³

8 In addition, as noted by PacifiCorp, the Renewable Energy Coalition (REC) and Community
9 Renewable Energy Association (CREA) have also recognized that the third-party
10 transmission costs issue is specific to PacifiCorp's system.⁴ Given this fact, it is not
11 appropriate for the issue to continue to be litigated in this docket, necessarily requiring all
12 parties, including Idaho Power, to incur costs to monitor an issue that does not affect their
13 businesses.

14 Second, PacifiCorp has explained that when it originally raised this issue, it had
15 appeared that QF siting decisions in its service territory would continue to create excess
16 generation conditions in load pockets, and in turn, increase the need to transmit QF power
17 out of load pockets using third-party transmission. However, that has not proved to be true.⁵
18 Accordingly, PacifiCorp intends to discontinue allocating to QFs the third-party transmission
19 costs at issue in this docket, should they arise.⁶ PacifiCorp's Motion therefore renders
20 further litigation of the issue moot.

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23 ² PacifiCorp's Motion, p. 10.

24 ³ See e.g., Idaho Power/1100, Allphin/10.

25 ⁴ See REC/500, Lowe/17; CREA/500, Skeahan/18.

26 ⁵ PacifiCorp's Motion, p. 5.

⁶ PacifiCorp's Motion, p. 4.

1 Thus, the Commission should conclude that the third-party transmission issue is
2 moot and close this docket. If the Commission determines that it would like to see the third-
3 party transmission issue further developed, it should nevertheless close this docket and
4 order the interested parties to litigate the subject matter in a PacifiCorp-specific proceeding.

5 Respectfully submitted this 30th day of March, 2017.

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