

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 5, 2014**

REGULAR CONSENT EFFECTIVE DATE _____ Upon Commission Approval _____

DATE: July 22, 2014

TO: Public Utility Commission

FROM: *ad for PA*
Brittany Andrus *I*

THROUGH: Jason Eisdorfer, Maury Galbraith, and Aster Adams *I for M G* *ad*

SUBJECT: IDAHO POWER COMPANY: (Docket No. UM 1610) Replacement Compliance Filing for Avoided Cost Rates (Schedule 85), and Standard Contracts.

STAFF RECOMMENDATION:

Staff recommends that the Commission issue an order approving Idaho Power Company's (Idaho Power) Replacement Compliance Filing for Avoided Cost Rates (Schedule 85), and Standard Contracts filed on July 3, 2014, in compliance with Order No. 14-058.

Discussion

On February 24, 2014, the Commission issued Order No. 14-058 in Phase I of its Investigation into Qualifying Facilities Contracting and Pricing (Docket No. UM 1610) resolving several disputed issues regarding pricing and ordering Portland General Electric Company (PGE), PacifiCorp, and Idaho Power to file revised avoided cost prices and revised standard contract forms in compliance with the order.

Idaho Power submitted its initial compliance filing on April 25, 2014. The Community Renewable Energy Association (CREA) and Renewable Energy Coalition (REC) filed protests asserting that some of the proposed changes were outside the scope of what was decided in Order No. 14-058. Staff recommended that the Commission decline to allow the prices and contracts go into effect to allow interested persons and Staff opportunity to review the filing. The Commission suspended the proposed May 27,

2014 effective date of Idaho Power's initial compliance filing to allow further investigation (Order No. 14-181).¹

Parties in Docket No. UM 1610, including PGE, PacifiCorp, and Idaho Power, met for a workshop on June 27, 2014, to discuss the utilities' Phase I compliance filings in that docket. During that workshop, Idaho Power agreed to submit a replacement compliance filing that limited the standard contract revisions to those required by Order No. 14-058. On July 3, 2014, Idaho Power submitted its Replacement Compliance Filing for Avoided Cost Rates (Schedule 85), and Standard Contracts, in compliance with Order No. 14-058.

CREA, REC, the Oregon Department of Energy (ODOE), Idaho Power, and Staff participated in a subsequent meeting on July 10, 2014, to discuss Idaho Power's Replacement Compliance Filing. The participants to this meeting agreed that Idaho Power's Replacement Compliance Filing is compliant with Order No. 14-058 and should become effective. These parties also agreed that there were no outstanding issues related to the Replacement Compliance Filing that would have to be resolved outside of Phase II of the UM 1610 investigation.

Idaho Power does not have Renewable Standard Avoided Cost prices in Oregon. Accordingly, the Administrative Law Judge's June 10, 2014 Ruling directing Staff and parties to address, in connection with the Order No. 14-058 compliance filings, the capacity contribution adjustment calculation for solar resources under the Standard Renewable Rate, is not applicable.²

PROPOSED COMMISSION MOTION:

Idaho Power's Replacement Compliance Filing for Avoided Cost Rates (Schedule 85), and Standard Contracts filed by Idaho Power on July 3, 2014, in compliance with Order No. 14-058, be allowed to go into effect.

UM 1610 Idaho Power compliance.docx

¹ See OAR 860-029-0080(6) ("Any standard rates filed under OAR 860-029-0040 shall be subject to suspension and modification by the Commission.")

² June 10, 2014 Ruling (Docket No. UM 1610).