

McDowell Rackner & Gibson PC



WENDY MCINDOO
Direct (503) 595-3922
wendy@mcd-law.com

February 4, 2015

VIA ELECTRONIC AND U.S. 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:

Idaho Power Company requests that the enclosed Errata – page 2 of the Post-Hearing Brief Regarding Solar Capacity Contribution be substituted for page 2 of the Company's original brief filed on December 18, 2014

A copy of this filing has been served on all parties to this proceeding as indicated on the attached certificate of service.

Please contact this office with any questions.

Very truly yours,

Handwritten signature of Wendy McIndoo in black ink.

Wendy McIndoo
Office Manager

Enclosures

cc: Service List

**ERRATA PAGE 2 – REDLINED VERSION
IDAHO POWER COMPANY’S POST-HEARING BRIEF
REGARDING SOLAR CAPACITY CONTRIBUTION**

1 This is contrary to PURPA and should be denied. ~~It is legally acceptable for rates for~~
2 ~~purchases from a QF be less than the utility's avoided cost however, it~~ It is not legally
3 acceptable for the rates for purchases from a QF to ever exceed the utility's avoided cost.
4 PURPA requires that: "Rates for purchases shall: (i) Be just and reasonable to the electric
5 consumer of the electric utility and in the public interest; and (ii) Not discriminate against
6 qualifying cogeneration and small power production facilities." 18 CFR § 292.3045(a)(1).
7 "Nothing in this subpart requires any electric utility to pay more than the avoided costs for
8 purchases." 18 CFR § 292.3045(a)(2). ~~However, PURPA also provides: "A rate for~~
9 ~~purchases ... may be less than the avoided cost if the State regulatory authority ...~~
10 ~~determines that a lower rate is consistent with paragraph (a) of this section, and is sufficient~~
11 ~~to encourage cogeneration and small power production."~~ 18 CFR § 292.305(a)(3).

12 In the final order from Phase I of this docket, the Commission directed a modification
13 to standard and standard renewable avoided cost rates to reflect the capacity contribution
14 of wind and solar QF resources. The Commission stated, "We modify the current
15 methodology for calculating standard avoided cost prices and standard renewable avoided
16 cost prices to account for the capacity contribution of different QF resources and wind
17 integration costs." Order No. 14-058, p. 2. The Commission provided additional guidance
18 on page 15 of Order No. 14-058, under the heading, "Capacity Contribution of QF
19 Resources." The Commission differentiates between the Standard Method and the
20 Standard Renewable Method and directed different adjustments to each methodology to
21 arrive at the standard avoided cost prices and standard renewable avoided cost prices.
22 The Commission states:

23 Currently, no adjustments are made to Standard and
24 Standard Renewable avoided cost prices to account for the
25 actual contribution to capacity made by each QF resource
26 type. To produce more accurate avoided cost estimates,
parties propose adjusting the capacity component in standard
and renewable avoided cost prices to capture the expected
capacity contribution of each QF resource type. For the

**ERRATA PAGE 2 – CLEAN VERSION
IDAHO POWER COMPANY’S POST-HEARING BRIEF
REGARDING SOLAR CAPACITY CONTRIBUTION**

1 This is contrary to PURPA and should be denied. It is not legally acceptable for the rates
2 for purchases from a QF to exceed the utility's avoided cost. PURPA requires that: "Rates
3 for purchases shall: (i) Be just and reasonable to the electric consumer of the electric utility
4 and in the public interest; and (ii) Not discriminate against qualifying cogeneration and
5 small power production facilities." 18 CFR § 292.304(a)(1). "Nothing in this subpart
6 requires any electric utility to pay more than the avoided costs for purchases." 18 CFR §
7 292.304(a)(2).

8 In the final order from Phase I of this docket, the Commission directed a modification
9 to standard and standard renewable avoided cost rates to reflect the capacity contribution
10 of wind and solar QF resources. The Commission stated, "We modify the current
11 methodology for calculating standard avoided cost prices and standard renewable avoided
12 cost prices to account for the capacity contribution of different QF resources and wind
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16 Standard Renewable Method and directed different adjustments to each methodology to
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20 Standard Renewable avoided cost prices to account for the
21 actual contribution to capacity made by each QF resource
22 type. To produce more accurate avoided cost estimates,
23 parties propose adjusting the capacity component in standard
24 and renewable avoided cost prices to capture the expected
25 capacity contribution of each QF resource type. For the
26

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket UM 1610 the following named person(s) on the date indicated below by email addressed to said person(s) at his or her last-known address(es) indicated below.

Annala, Carey, Baker, et al., PC
Will K. Carey
wcarey@hoodriverattorneys.com

Association of Oregon Counties
Mike McArthur
mmcarthur@aocweb.org

Cable Huston Benedict et al.
Chad Stokes
cstokes@cablehuston

Cable Huston Benedict et al.
Richard Lorenz
rlorenz@cablehuston.com

Citizens' Utility Board of Oregon
OPUC Dockets
dockets@oregoncub.org

Citizens' Utility Board of Oregon
G. Catriona McCracken
catriona@oregoncub.org

City of Portland — Planning and
Sustainability
David Tooze
david.tooze@portlandoregon.gov

Citizens' Utility Board of Oregon
Robert Jenks
bob@oregoncub.org

Loyd Fery
dlchain@wvi.com

Cleantech Law Partners PC
Diane Henkels
dhenkels@cleantechlawpartners.com

Davison Van Cleve PC
S. Bradley Van Cleve
bvc@dvclaw.com

Davison Van Cleve PC
Tyler C. Pepple
tcp@dvclaw.com

Irion A. Sanger
Sanger Law PC
irion@sanger-law.com

Department of Justice - Business Activities
Section
Stephanie S. Andrus
stephanie.andrus@state.or.us

Energy Trust of Oregon
Thad Roth
thad.roth@energytrust.org

Energy Trust of Oregon
John M. Volkman
john.volkman@energytrust.org

Exelon Wind LLC
John Harvey
John.harvey@exeloncorp.com

Exelon Business Services Company, LLC
Paul Ackerman
paul.ackerman@constellation.com

Lovinger Kaufmann LLP
Kenneth Kaufmann
kaufmann@lklaw.com

Lovinger Kaufmann LLP
Jeffery S. Lovinger
lovinger@lklaw.com

NW Energy Systems Company LLC
Daren Anderson
da@thenescogroup.com

One Energy Renewables
Bill Eddie
bill@oneenergyrenewables.com

Oregon Department of Energy
Kacia Brockman
kacia.brockman@state.or.us

Oregon Department of Energy
Matt Krumenauer
matt.krumenauer@state.or.us

Oregon Department of Justice
Renee M. France
Senior Assistant Attorney General
renee.m.france@doj.state.or.us

Oregon Solar Energy Industries Association
PUC Dockets
dockets@oseia.org

Oregonians for Renewable Energy Policy
Kathleen Newman
kathleenopi@frontier.com
k.a.newman@frontier.com

Oregonians for Renewable Energy Policy
Mark Pete Pengilly
mpengilly@gmail.com

Pacific Power
Dustin T. Till
dustin.till@pacificorp.com

Pacific Power
R. Bryce Dalley
bryce.dalley@pacificorp.com

Pacificorp, dba Pacific Power
Oregon Dockets
oregondockets@pacificorp.com

Portland General Electric Company
J. Richard George
richard.george@pgn.com

Portland General Electric
Jay Tinker
pge.opuc.filings@pgn.com

Public Utility Commission of Oregon
Adam Bless
adam.bless@state.or.us

Public Utility Commission of Oregon
Brittany Andrus
brittany.andrus@state.or.us

Davison Van Cleve, P.C.
Tyler C. Peppie
@dvclaw.com

Renewable Energy Coalition
John Lowe
jravenesanmarcos@yahoo.com

Renewable Northwest
Megan Waiseth Decker
megan@renewablenw.org

Renewable Northwest
Renewable NW Dockets
dockets@renewablenw.org

Roush Hydro Inc.
Toni Roush
tmroush@wvi.com

Richardson Adams, PLLC
Peter J. Richardson
peter@richardsonadams.com

Richardson Adams, PLLC
Gregory M. Adams
greg@richardsonadams.com

Small Business Utility Advocates
James Birkelund
james@utiltiyadvocates.org

Thomas H. Nelson
Attorney at Law
nelson@thnelson.com

Obsidian Renewables, LLC
Todd Gregory
tgregory@obsidianrenewables.com

Portland General Electric
V. Denise Saunders
Denise.saunders@pgn.com

Stoll Berne
David A. Lokting
dlokting@stollberne.com

Obsidian Renewables, LLC
David Brown
dbrown@obsidianfinance.com

PacifiCorp
Jeffery B. Erb
jeff.erb@pacificorp.com

Brian Skeahan
PMB 409
18160 Cottonwood Road
Sunriver, OR 97707
Brian.skeahan@yahoo.com

DATED: February 4, 2015



Wendy McIndoo
Office Manager