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February 21, 2023

## **VIA ELECTRONIC FILING**

Attention: Filing Center
Public Utility Commission of Oregon
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97308-1088

Re: Docket UM 1730(8) – In the Matter of IDAHO POWER COMPANY, Application to Update Schedule 85 Qualifying Facility Information.

Attention Filing Center:

Attached for filing in the above-captioned docket are Idaho Power Company's Reply Comments.

Please contact this office with any questions.

Sincerely, Sugame Prinsu

Suzanne Prinsen Legal Assistant

**Attachments** 

## BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1730(8)

In the Matter of IDAHO POWER COMPANY

Application to Update Schedule 85 Qualifying Facility Information

## IDAHO POWER COMPANY'S REPLY COMMENTS

Idaho Power Company ("Idaho Power" or "Company") respectfully submits the 1 2 following comments to the Public Utility Commission of Oregon ("Commission") in 3 response to the Public Utility Commission of Oregon Staff's ("Staff") February 15, 2023, Report ("Staff Report") and the February 17, 2023, comments filed by the Community 4 Renewable Energy Association ("CREA") and the Renewable Energy Coalition ("REC") 5 6 (the "QF Parties' Comments"). 7 On January 5, 2023, Idaho Power filed updated standard avoided cost prices in 8 accordance with OAR 860-029-0080(3) and OAR 860-0290085(1), which require 9 utilities to update avoided cost prices within 30 days of acknowledgment of an 10 Integrated Resource Plan. Staff recommends approving Idaho Power's avoided cost 11 update as filed. Idaho Power appreciates Staff's review of its filing and agrees with Staff's recommendation to approve the updated avoided cost prices as filed and without 12 13 change.

<sup>&</sup>lt;sup>1</sup> Staff Report at 1.

In their February 17<sup>th</sup> comments, the QF Parties recommend for the first time in this case that the Commission approve the filed avoided cost prices but also ask the Commission to either (1) require Idaho Power to develop a standard solar-plus-storage rate as part of this post-IRP update; or (2) "provide clear direction that it expects development of a solar-plus-storage rate in the near term, and approval of Idaho Power's avoided cost rates at this time does not prejudice adoption of such a rate before the next IRP cycle."<sup>2</sup>

Staff preemptively recommended that the Commission reject the QF Parties' recommendation to develop a solar-plus-storage price here because it is inappropriate "for the Commission to order a change in the avoided cost methodology in connection with a post-IRP avoided cost update for one utility." Staff noted that there is no harm to potential solar-plus-storage QFs because they can negotiate a non-standard avoided cost price and that the issue of developing an appropriate solar-plus-storage price should be addressed in docket UM 2000, where the Commission is investigating revisions to avoided cost methodologies.<sup>4</sup>

The Company agrees with Staff. Developing an entirely new avoided cost price is far outside the scope of a post-IRP avoided cost price update. Docket UM 2000 is the appropriate forum for developing new avoided cost methodologies, not a post-IRP update. This is particularly true here because adopting a standard solar-plus-storage price is far more complex than simply applying a different capacity contribution to the existing surrogate avoided resource methodology used to calculate standard prices in

<sup>&</sup>lt;sup>2</sup> QF Parties' Comments at 2.

<sup>&</sup>lt;sup>3</sup> Staff Report at 4.

<sup>&</sup>lt;sup>4</sup> Staff Report at 4.

- 1 Oregon. For example, the standard solar-plus-storage prices adopted in Idaho, and
- 2 referred to by the QF Parties, were established using Idaho Power's Incremental IRP
- 3 Methodology. That Incremental IRP Methodology is used for non-standard prices in
- 4 Oregon, which, as Staff correctly noted, are available for Oregon solar-plus-storage
- 5 QFs.
- 6 For the foregoing reasons, Idaho Power supports Staff's recommendation that
- 7 the Commission approve the updated avoided cost prices as filed and reject the QF
- 8 Parties' recommendation to develop an entirely new avoided cost pricing methodology
- 9 in this case.

Respectfully submitted this 21st day of February 2023.

McDowell Rackner Gibson PC

Adam Lownev

**IDAHO POWER COMPANY** 

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Attorneys for Idaho Power Company