



ALISHA TILL
Direct (503) 290-3628
alisha@mrg-law.com

March 7, 2022

VIA ELECTRONIC FILING

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

Re: Docket UM 2210 - *In the Matter of Idaho Power Company, Application for Waiver of Competitive Bidding Rules.*

Attention Filing Center:

Attached for filing in the above-referenced docket are Idaho Power Company's Comments in Response to Staff's Recommendation.

Please contact this office with any questions.

Sincerely,

Alisha Till
Paralegal

Attachment

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2210

In the Matter of

IDAHO POWER COMPANY

Application for Waiver of Competitive Bidding
Rules.

**IDAHO POWER COMPANY'S
COMMENTS IN RESPONSE TO
STAFF RECOMMENDATION**

1 Idaho Power Company (“Idaho Power” or “Company”) respectfully submits these
2 comments in response to the Public Meeting Memorandum issued on March 2, 2022, by the Staff
3 of the Public Utility Commission of Oregon (“Staff”). Idaho Power appreciates Staff’s review of its
4 Application for Waiver of Competitive Bidding Rules (“Application”) and generally supports Staff’s
5 recommendation.

6 By way of background, the Company’s near-term need for additional capacity resources
7 by 2023 arose from three converging events. First, the Company’s assessment of the
8 transmission market indicated dramatic and unanticipated changes that significantly limited the
9 Company’s ability to import energy to meet customer demands. Second, the Company updated
10 how it determined its capacity reserve margin by incorporating Loss of Load Expectation (“LOLE”) and
11 Effective Load Carrying Capability (“ELCC”) planning methodologies, which Staff has
12 described as the “gold standard” for assessing capacity needs.¹ Third, increasing population and
13 load across the Company’s system has presented a near-term need for additional capacity
14 resources. Because of the urgency of the Company’s resource need, it requested a waiver of the
15 Public Utility Commission of Oregon’s (“Commission”) Competitive Bidding Rules (“CBRs”)² to
16 allow for the acquisition of resources able to meet the near-term need.

¹ *In re Pub. Util. Comm’n of Or. Gen. Capacity Investigation*, Docket UM 2011, Staff’s Opening Comments at 3 (Jan. 14, 2021).

² OAR Chapter 860, Division 89.

1 Staff recommends that the Commission deny Idaho Power's waiver request.³ As an
2 alternative, however, Staff recommends that the Company pursue the exception process set forth
3 in OAR 860-089-0100(3),⁴ under which the Company would not be required to comply with the
4 CBRs if (as relevant here): (1) there is an emergency; (2) there is a time-limited opportunity to
5 acquire a resource of unique value to customers; or (3) an alternative acquisition method was
6 proposed by the electric company in the Integrated Resource Plan ("IRP") and explicitly
7 acknowledged by the Commission.⁵ If the Company proceeds under an exception identified in
8 OAR 860-089-0100(3), then pursuant to OAR 860-089-0100(4), the Company must file a report
9 with the Commission that explains the relevant circumstances of the exception within 30 days of
10 seeking to acquire the resource. Under the exception path, Staff explained that the "prudence of
11 the costs associated with the procurement can then be determined in the next rate case."⁶

12 The Company disagrees with Staff's assessment that its proposed request for proposal
13 ("RFP") does not reasonably align with the policies underlying the CBRs. Idaho Power's RFP will
14 be fair, transparent, and objective and result in the acquisition of the least-cost, least-risk
15 resources able to meet the Company's near-term need. However, given Staff's concerns, the
16 Company supports Staff's recommendation to pursue the exception process set forth in OAR 860-
17 089-0100(3). The reporting requirement in OAR 860-089-0100(4) will ensure that the
18 Commission and stakeholders are informed of the Company's procurement efforts and will
19 generally align with the certificate of public convenience and necessity ("CPCN") process required
20 in Idaho. The Company understands that pursuing an exception will require the Company to
21 demonstrate the prudence of its resource acquisition when it seeks to include the resource in
22 rates, consistent with Staff's recommendation.

³ Staff Public Meeting Memorandum at 1.

⁴ Staff Public Meeting Memorandum at 7-9.

⁵ OAR 860-089-0100(3).

⁶ Staff Public Meeting Memorandum at 8.

1 In conclusion, Idaho Power generally supports Staff's recommendation to use the
2 exception process and looks forward to discussing its Application at the March 8, 2022, Public
3 Meeting.

Respectfully submitted this 7th day of March, 2022.

McDOWELL RACKNER GIBSON PC



Adam Lowney

IDAHO POWER COMPANY

Donovan Walker
Lead Counsel
P.O. Box 70
Boise, Idaho 83707

Attorneys for Idaho Power Company