

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1129

In the Matter of	)	
	)	
THE PUBLIC UTILITY COMMISSION	)	
OF OREGON	)	ORDER
	)	
Staff Investigation Relating to Electric	)	
Utility Purchases from Qualifying	)	
Facilities.	)	

DISPOSITION: MOTION FOR CLARIFICATION GRANTED

**THE MOTION**

By motion served on August 14, 2007, Idaho Power Company (Idaho Power or the Company) requests that the Public Utility Commission of Oregon (Commission) clarify the timing of Idaho Power’s required avoided cost update filing.

In its motion Idaho Power cites two apparently conflicting Commission directives regarding the date for filing its avoided cost updates. OAR 860-029-0080(3) provides:

Each public utility shall file with the Commission draft avoided-cost information with its least-cost plan pursuant to Order No. 89-507 and file final avoided-cost information within 30 days of Commission acknowledgement of the least-cost plan to be effective 30 days after filing.

Idaho Power’s Integrated Resource Plan (IRP) was acknowledged by this Commission at a Public Meeting on August 29, 2007.<sup>1</sup>

However, in Order No. 05-584, dated May 13, 2005, the Commission continued a two-year filing cycle for avoided cost filings. Pursuant to that order, the Company’s avoided cost filing would have been due in July.

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<sup>1</sup> The Plan was acknowledged in docket LC 41, Order No. 07-394, dated September 12, 2007.

This issue first was raised by Staff in its reply to an earlier motion filed in this docket by Sherman County/J.R. Simplot asking that this Commission order each of the utilities to update its avoided costs based on changed circumstances. That motion was denied in Order No. 07-199, dated May 22, 2007, because of the impending update filings for each utility, including the expected July filing by Idaho Power.<sup>2</sup>

In its reply to that motion Staff had stated: “Idaho Power should file a petition with the Commission, separate and apart from the present matter, to clarify when its avoided cost filing is due.” Idaho Power filed this motion as suggested by Staff.

Idaho Power argues that the schedule specified in the Commission’s Rules (30 days after acknowledgement) is preferable to the schedule adopted in Order No. 05-584 (July). The Company observes that the acknowledgement of its IRP provides it with the information essential to calculate its avoided cost rates. “If the Commission were to require Idaho Power to file on a strict two-year cycle, in years such as this one, where the Commission has not yet acknowledged Idaho Power’s Plan, the avoided cost information used by the Company to set avoided cost rates might become obsolete just a few months later when a Plan is finally acknowledged.”

#### **STAFF REPLY**

Staff was the only party to file a reply to Idaho Power’s motion.

According to Staff, Idaho Power correctly summarizes the issue. Staff acknowledges the apparent inconsistency between the Rule and the Order concerning the time for a utility to file its final avoided cost rates. In the normal case, such an inconsistency would require that Staff perform a detailed consideration of which Commission directive should control.

However, Staff observes that this Commission recently opened a rulemaking docket to “update Division 29 rules for consistency with federal and state PURPA requirements and decisions.” Staff states that it will work to ensure that future rules to be adopted in the Division 029 proceeding are consistent with applicable federal and state requirements and the Commission’s decisions. In the interim Staff does not oppose Idaho Power’s request to follow the schedule in OAR 860-029-0080(3).

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<sup>2</sup> At the time of Order No. 07-199, the Idaho Power plan was expected to be considered at a Commission meeting in June. If the plan had been acknowledged in June, the conflict between the two dates would have been avoided.

**DISCUSSION**

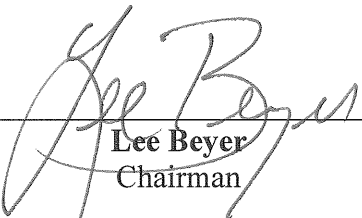
As noted above, if the Commission had acknowledged Idaho Power's resource plan in June, the Company would have made its filing in July, as contemplated both by the Rule and the Order. For good cause, this Commission postponed acknowledgement of Idaho Power's resource plan to August.

Under OAR 860-029-0080(3), Idaho Power's avoided cost filing would be due September 28, 2007. No party objects to Idaho Power's request to make this avoided cost filing at that time. We agree with Staff that the apparent conflict between the rule and the avoided cost filing cycle specified in Order No. 05-584 is best addressed in the rulemaking proceeding we opened in Order No. 07-360. In the interim, we adopt the schedule specified in OAR 860-029-0080(3).

**ORDER**

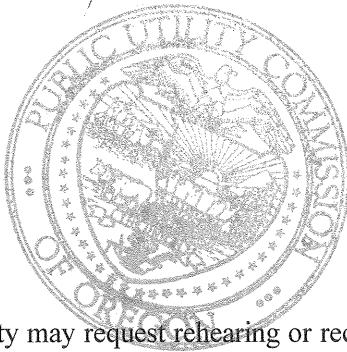
IT IS ORDERED that the motion filed by Idaho Power Company asking that this Commission clarify that its final avoided cost rates will be due within 30 days of acknowledgement of its Integrated Resource Plan is granted.

Made, entered, and effective OCT 05 2007

  
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**Lee Beyer**  
Chairman

  
\_\_\_\_\_  
**John Savage**  
Commissioner

  
\_\_\_\_\_  
**Ray Baum**  
Commissioner



A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.