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May 1, 2020

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(5)
Idaho Power Company's 2020 Annual May Update of Avoided Cost Rates
– Schedule 85, Cogeneration and Small Power Production Standard
Contract Rates

Dear Filing Center:

In compliance with ORS 757.205, ORS 758.525 and Order No. 14-058 of Docket UM 1610, Idaho Power Company ("Idaho Power" or "Company") hereby submits for filing its revised Schedule 85, Cogeneration and Small Power Production Standard Contract Rates, Sheet Nos. 85-6 through 85-8, in both clean and redlined formats. The Company's filing includes updates to Idaho Power's standard avoided cost schedule (Schedule 85) and its standard avoided costs. The Company respectfully requests an effective date of June 1, 2020.

Thirteenth Revised Sheet No. 85-6	Schedule 85	Cogeneration and Small Power Production Standard Contract Rates
Tenth Revised Sheet No. 85-7	Schedule 85	Cogeneration and Small Power Production Standard Contract Rates
Tenth Revised Sheet No. 85-8	Schedule 85	Cogeneration and Small Power Production Standard Contract Rates

This filing is in accordance with the May 1, annual updates directed by Order No. 14-058 of Docket UM 1610, issued February 24, 2014, and Errata Order No. 14-114

issued April 7, 2014. The filing updates standard avoided cost rates utilizing updated natural gas prices and updated on- and off-peak forward-looking electricity market prices, as directed by Order No. 14-058. For updated natural gas prices, Idaho Power utilized the most recent release of the same forecast used in Idaho Power's 2019 Integrated Resource Plan ("IRP") as well as the Company's previous update to Schedule 85 standard avoided cost prices made in accordance with Order No. 19-074, which is the Long-term Henry Hub and Sumas Basis Annuals from S&P Global Platt's Long-term Forecast, adjusted for transport for Idaho City Gate delivery. Idaho Power also updated on- and off-peak electric market prices, utilizing forward monthly market quoted prices at mid-Columbia from Inter-Continental Exchange as of April 17, 2020.

Idaho Power's previous update to Schedule 85 standard avoided cost prices was filed in compliance with Order No. 19-074 of Docket UM 2001, and was approved in Order No. 19-156. Order No. 19-074 required utilities to file an update of avoided cost prices consistent with the Public Utility Commission of Oregon ("Commission") Staff's ("Staff") Report dated February 20, 2019 ("Report"). Staff's Report required the utilities to file an "enhanced" avoided cost update and specified updates to a limited set of inputs to the existing standard avoided cost model, and no changes to the methodology.¹ Staff's Report also directed utilities to use preliminary resource cost data from the 2019 IRP in progress.² This filing uses Idaho Power's previous update to Schedule 85 standard avoided cost prices as a starting point and therefore includes resource cost data from the Company's 2019 IRP; however, these inputs have not changed from the previously approved update. This filing is limited to updating standard avoided cost rates with updated natural gas prices and updated on- and off-peak forward-looking electricity market prices.

The workpapers used to prepare this filing have been filed with the Commission at the following electronic address: puc.workpapers@state.or.us.

If you have any questions, please do not hesitate to contact Nicole Blackwell at (208) 388-5764 or Donovan E. Walker at (208) 388-5317.

Sincerely,

s/ Adam Lowney

Adam Lowney

Enclosure

¹ *Investigation into Interim PUPRA Action*, Docket No. UM 2001, Public Utility Commission of Oregon Staff Report, February 20, 2019. Page 4.

² *Investigation into PUPRA Action*, Docket No. UM 2001, Public Utility Commission of Oregon Staff Report, February 4, 2019. Page 6.

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
 (Continued)

AVOIDED COST PRICE
Standard Avoided Cost Prices for Baseload QF

Year	On-Peak	Off-Peak
	\$/MWh	\$/MWh
	(a)	(b)
2020	\$26.16	\$20.25
2021	\$32.49	\$22.89
2022	\$32.96	\$24.35
2023	\$33.60	\$24.48
2024	\$33.60	\$24.67
2025	\$33.85	\$24.96
2026	\$46.73	\$26.54
2027	\$48.59	\$27.98
2028	\$50.70	\$29.66
2029	\$52.17	\$30.68
2030	\$53.32	\$31.38
2031	\$54.58	\$32.18
2032	\$55.53	\$32.66
2033	\$56.81	\$33.46
2034	\$57.70	\$33.86
2035	\$58.69	\$34.35
2036	\$59.77	\$34.92
2037	\$60.60	\$35.23
2038	\$61.45	\$35.54
2039	\$62.30	\$35.85
2040	\$63.22	\$36.21
2041	\$63.92	\$36.35
2042	\$64.63	\$36.48
2043	\$65.36	\$36.62
2044	\$66.10	\$36.76

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Notes:

- (a) Value of on-peak capacity allocated to on-peak hours of a Baseload resource. 2020-2025 On-peak Market Prices.
- (b) Fuel and Capitalized Energy Cost of the Proxy CCCT. 2020-2025 Off-Peak Market Prices.

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CANCELS

~~ELEVENTH~~ TWELFTH REVISED SHEET NO. 85-6

<u>2032</u>	<u>\$55.53</u>	<u>\$32.66</u>
<u>2033</u>	<u>\$56.81</u>	<u>\$33.46</u>
<u>2034</u>	<u>\$57.70</u>	<u>\$33.86</u>
<u>2035</u>	<u>\$58.69</u>	<u>\$34.35</u>
<u>2036</u>	<u>\$59.77</u>	<u>\$34.92</u>
<u>2037</u>	<u>\$60.60</u>	<u>\$35.23</u>
<u>2038</u>	<u>\$61.45</u>	<u>\$35.54</u>
<u>2039</u>	<u>\$62.30</u>	<u>\$35.85</u>
<u>2040</u>	<u>\$63.22</u>	<u>\$36.21</u>
<u>2041</u>	<u>\$63.92</u>	<u>\$36.35</u>
<u>2042</u>	<u>\$64.63</u>	<u>\$36.48</u>
<u>2043</u>	<u>\$65.36</u>	<u>\$36.62</u>
<u>2044</u>	<u>\$66.10</u>	<u>\$36.76</u>

Notes:

- (a) Value of on-peak capacity allocated to on-peak hours of a Baseload resource. ~~2019~~20-2025 On-peak Market Prices.
Fuel and Capitalized Energy Cost of the Proxy CCCT. ~~2019~~20-
- (b) 2025 Off-Peak Market Prices.

<u>2030</u>	<u>\$35.42</u>	<u>\$31.38</u>	<u>\$24.96</u>	<u>\$10.46</u>	<u>\$6.42</u>
<u>2031</u>	<u>\$36.30</u>	<u>\$32.18</u>	<u>\$25.71</u>	<u>\$10.59</u>	<u>\$6.47</u>
<u>2032</u>	<u>\$36.87</u>	<u>\$32.66</u>	<u>\$26.48</u>	<u>\$10.39</u>	<u>\$6.18</u>
<u>2033</u>	<u>\$37.75</u>	<u>\$33.46</u>	<u>\$27.27</u>	<u>\$10.48</u>	<u>\$6.19</u>
<u>2034</u>	<u>\$38.24</u>	<u>\$33.86</u>	<u>\$28.09</u>	<u>\$10.15</u>	<u>\$5.77</u>
<u>2035</u>	<u>\$38.83</u>	<u>\$34.35</u>	<u>\$28.93</u>	<u>\$9.90</u>	<u>\$5.42</u>
<u>2036</u>	<u>\$39.49</u>	<u>\$34.92</u>	<u>\$29.80</u>	<u>\$9.69</u>	<u>\$5.12</u>
<u>2037</u>	<u>\$39.90</u>	<u>\$35.23</u>	<u>\$30.70</u>	<u>\$9.20</u>	<u>\$4.53</u>
<u>2038</u>	<u>\$40.30</u>	<u>\$35.54</u>	<u>\$31.62</u>	<u>\$8.68</u>	<u>\$3.92</u>
<u>2039</u>	<u>\$40.71</u>	<u>\$35.85</u>	<u>\$32.57</u>	<u>\$8.14</u>	<u>\$3.28</u>
<u>2040</u>	<u>\$41.18</u>	<u>\$36.21</u>	<u>\$33.25</u>	<u>\$7.93</u>	<u>\$2.96</u>
<u>2041</u>	<u>\$41.42</u>	<u>\$36.35</u>	<u>\$33.95</u>	<u>\$7.47</u>	<u>\$2.40</u>
<u>2042</u>	<u>\$41.66</u>	<u>\$36.48</u>	<u>\$34.66</u>	<u>\$7.00</u>	<u>\$1.82</u>
<u>2043</u>	<u>\$41.91</u>	<u>\$36.62</u>	<u>\$35.39</u>	<u>\$6.52</u>	<u>\$1.23</u>
<u>2044</u>	<u>\$42.16</u>	<u>\$36.76</u>	<u>\$36.13</u>	<u>\$6.03</u>	<u>\$0.63</u>

Notes

- (a) Value of on-peak capacity allocated to on-peak hours of a Wind resource
- (b) Fuel and Capitalized Energy Cost of the Proxy CCCT
- (c) Wind Integration Charges based on current penetration level of 701 - 800 MW
The integration charge will be updated when the next penetration level is reached.
- (d) ~~2019~~20-2025 On-Peak Market Prices
- (e) ~~2019~~20-2025 Off-Peak Market Prices

<u>2033</u>	<u>\$62.41</u>	<u>\$33.46</u>	<u>\$1.03</u>	<u>\$61.38</u>	<u>\$32.43</u>
<u>2034</u>	<u>\$63.42</u>	<u>\$33.86</u>	<u>\$1.06</u>	<u>\$62.36</u>	<u>\$32.80</u>
<u>2035</u>	<u>\$64.53</u>	<u>\$34.35</u>	<u>\$1.08</u>	<u>\$63.45</u>	<u>\$33.27</u>
<u>2036</u>	<u>\$65.73</u>	<u>\$34.92</u>	<u>\$1.10</u>	<u>\$64.63</u>	<u>\$33.82</u>
<u>2037</u>	<u>\$66.69</u>	<u>\$35.23</u>	<u>\$1.13</u>	<u>\$65.56</u>	<u>\$34.10</u>
<u>2038</u>	<u>\$67.66</u>	<u>\$35.54</u>	<u>\$1.15</u>	<u>\$66.51</u>	<u>\$34.39</u>
<u>2039</u>	<u>\$68.64</u>	<u>\$35.85</u>	<u>\$1.18</u>	<u>\$67.46</u>	<u>\$34.67</u>
<u>2040</u>	<u>\$69.69</u>	<u>\$36.21</u>	<u>\$1.20</u>	<u>\$68.49</u>	<u>\$35.01</u>
<u>2041</u>	<u>\$70.53</u>	<u>\$36.35</u>	<u>\$1.23</u>	<u>\$69.30</u>	<u>\$35.12</u>
<u>2042</u>	<u>\$71.38</u>	<u>\$36.48</u>	<u>\$1.26</u>	<u>\$70.12</u>	<u>\$35.22</u>
<u>2043</u>	<u>\$72.25</u>	<u>\$36.62</u>	<u>\$1.28</u>	<u>\$70.97</u>	<u>\$35.34</u>
<u>2044</u>	<u>\$73.14</u>	<u>\$36.76</u>	<u>\$1.31</u>	<u>\$71.83</u>	<u>\$35.45</u>

Notes:

- (a) Value of on-peak capacity allocated to on-peak hours of a Fixed PV Utility Solar resource
- (b) Fuel and Capitalized Energy Cost of the Proxy CCCT
- (c) Solar Integration Charges based on current penetration level of 401-500 MW. The Integration Charge will be updated when the next penetration level is reached.
- (d) ~~2019~~20 - 2025 On-Peak Market Prices
- (e) ~~2019~~20 - 2025 Off-Peak Market Prices