



# PUBLIC WORKSHOP



**APPLICATION FOR AUTHORITY TO IMPLEMENT  
CHANGES TO THE COMPENSATION STRUCTURE  
APPLICABLE TO CUSTOMER ON-SITE  
GENERATION UNDER SCHEDULES 6, 8, AND 84  
AND TO ESTABLISH AN EXPORT CREDIT RATE**

**Case No. IPC-E-23-14**

**“ECR Filing”**

**IDAHO PUBLIC UTILITIES COMMISSION**

**September 6th, 2023, 6:00 PM (MDT)**

**September 7th, 2023, 12:00 PM (MDT)**

# Workshop Participation

- **Online:**

- To open chat in WebEx, please select the icon.
- Type questions and comments in the chat box;
  - Please use the “Everyone” option when using chat to ensure your message will be seen.
- To speak, click on the hand icon in the lower section of your Webex screen. I will send you an invitation to unmute your audio line.



- **On The Phone:**

- **\*3** is the command to raise and lower your hand;  
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This PowerPoint is available on the commission’s homepage at [puc.idaho.gov](http://puc.idaho.gov).



# Introductions



Jason Talford

Technical Analyst

Matt Suess

Engineer

Jolene Bossard

Utilities Compliance  
Investigator

# Purpose of Public Workshop

- **Informational session to**
  - Overview the IPUC and its role.
  - Describe the related case history.
  - Describe the case process.
  - Present Idaho Power Company's application.
  - Explain how to submit written comments.
  - Provide an opportunity to ask questions on the application.
- **This Public Workshop is not part of the official case record.**

# What is the Idaho Public Utilities Commission?



- Established in 1913. Idaho Code Sections 61 and 62.
- The Commission regulates Idaho's investor-owned utilities, ensuring adequate service and reasonable rates.
- The Commission is made up of three commissioners appointed by the Governor and confirmed by the Senate. The Commissioners make the decisions in each case.
- Commission Staff ("Staff") is made up of Auditors, Consumer Compliance Investigators, Engineers, Technical Analysts, and Admin.
- Staff is conducting this workshop. Staff is one of the Parties in the case and providing comments to the Commissioners.

# Progression of the Case

## Application

- State law requires that the Commission consider all evidence that is on the record, which includes the Idaho Power Company's supporting documentation, Comments from Staff & Parties, and customers' written comments and oral testimony at public customer hearings.

## Staff's Role

- Staff reviews and analyzes the Company's filing and proposals
- Staff provides recommendations to the Commission based on its analysis.

## Final Order

- The Commission will review all evidence and have authority to issue a final order.\*

\*All Commission decisions must withstand Idaho Supreme Court Appeals from either utility or customer groups





# Case History

# Case No. IPC-E-17-13

- Established Schedule 6: Residential Service On-Site Generation and Schedule 8: Small General Service On-Site Generation
- **Commission Order No. 34046**
  - IT IS FURTHER ORDERED that Idaho Power shall initiate a docket to comprehensively study the costs and benefits of on-site generation on Idaho Power's system, as well as proper rates and rate design, transitional rates, and related issues of compensation for net excess energy provided as a resource to the Company.



# Case No. IPC-E-18-15

- Proposed settlement changes to net metering rejected by the Commission.
- Established Grandfathering for legacy systems.
- Commission Order No. 34509,
  - “IT IS FURTHER ORDERED that the Company shall submit a comprehensive study of the costs and benefits of net metering to the Commission **before any further proposals to change the Company's net-metering program.** This study shall incorporate public feedback and concerns in the design and review of the study, including public workshops and public comments on the record.”

# Case No. IPC-E-21-21

- “This study shall incorporate public feedback and concerns in the design and review of the study, including public workshops and public comments on the record.”
- **Commission Order No. 35284:**
  - IT IS HEREBY ORDERED that the Application is approved as provided above.
  - “IT IS FURTHER ORDERED that Idaho Power complete the study design for its Comprehensive study on the costs and benefits of on-site generation based on the Commission’s Study Framework findings and conclusions as more specifically defined and explained herein.”

# Case No. IPC-E-22-22

- **Commission Order No. 35631:**
  - “IT IS HEREBY ORDERED that the Company’s October VODER Study is acknowledged. “
  - “IT IS FURTHER ORDERED that the Company shall file a new case requesting to implement changes to the structure and design of its NEM program”
- The Study is available for public review.
  - Value of Distributed Energy Resources (“VODER”)
  - [www.puc.idaho.gov](http://www.puc.idaho.gov) (Case Number: IPC-E-22-22)



# IPC-E-23-14 Schedule



Event	Date
Case Filed	05/01/2023
<b>Public Workshop</b>	<b>09/06/2023 6:00 PM</b>
<b>Public Workshop</b>	<b>09/07/2023 12:00 PM</b>
<b>Written Public Comments</b>	<b>Open until 10/12/2023</b>
Public Customer Hearing	TBD
Staff/intervenor Comments	10/12/2023
All Party Reply Comments	11/02/2023
Company Final Reply	11/16/2023
Close of Case	Final Order
Proposed Effective Date	Proposed Jan 1 <sup>st</sup> , 2024



# Application

# Application

Filed May 1st, 2023

## The Company's Requests:

1. Change from “Net Metering” to “Net Billing” for non-legacy systems and use a real-time measurement interval.
2. Pay non-legacy customer-generators for energy exports using an Export Credit Rate (“ECR”).
3. Standardize the method for annually updating the ECR.
4. Modify the Project Eligibility Cap.
5. Other implementation considerations.

Requesting an effective date of January 1, 2024.



# The Company's Reasons for Filing This

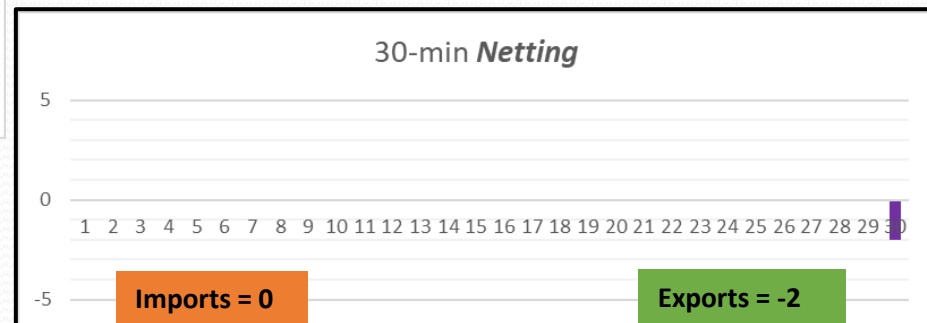
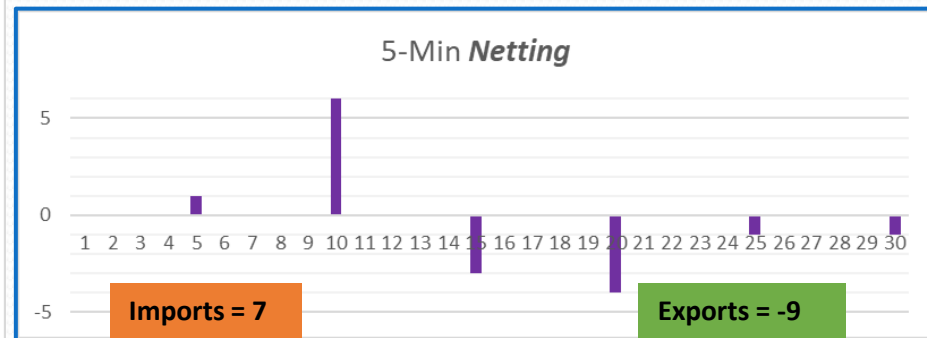
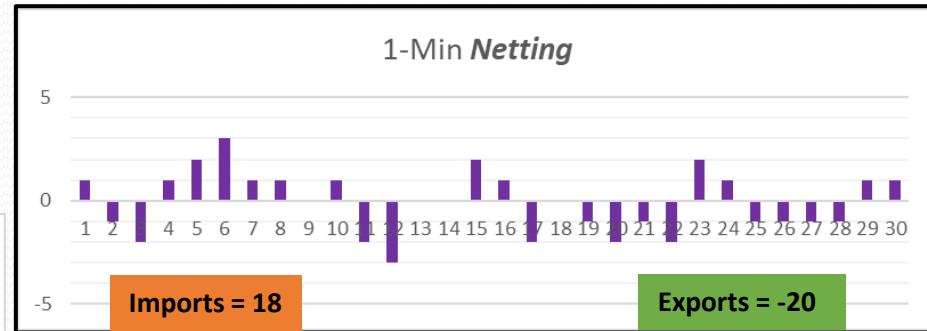
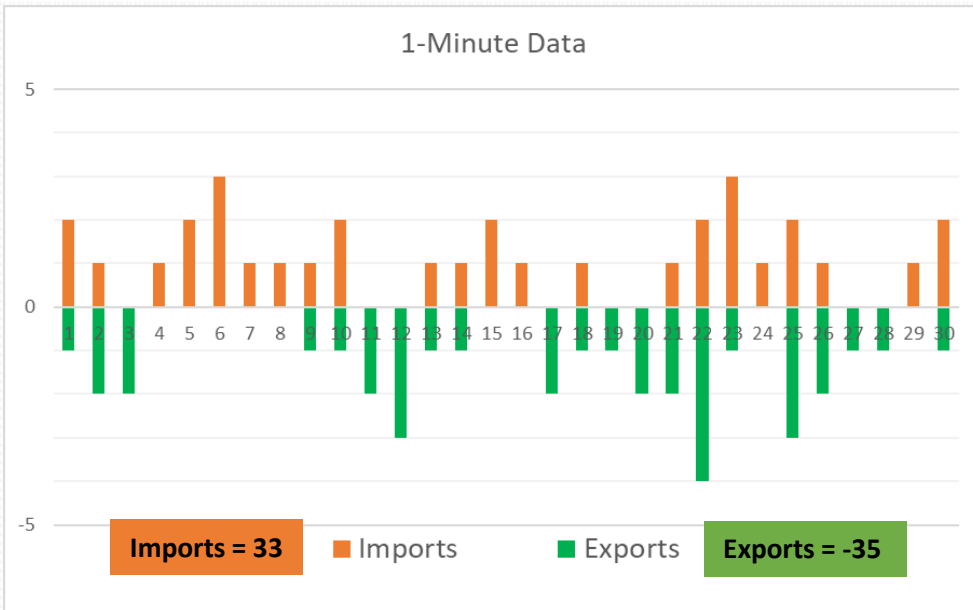
- A long history of related cases....
- It was directed to file a proposal by the Commission (Order 35631)
- The existing system overvalues exports, which results in cost-shifting between participants and non-participants.
- To reasonably balance the interests of participants and non-participants.
- On-site generation customers need more clarity about the future rate structure.
- Need to modernize an outdated service offering.

# Terms & Definitions

- Customer-generators: Customers who have a generation system (typically solar) capable of exporting energy to the grid.
- kWh: kilowatt-hour – A standard unit of energy. One kilowatt of power for one hour.
- Export Credit Rate (“ECR”): A monetary value for exported energy. Usually cents per kWh.
- Net Energy Metering (“NEM”): The Company’s current kWh-to-kWh program. Usually shortened to “Net Metering.”
- Net Billing: The Company’s proposed program that includes a monetary payment for any exported energy.
- Legacy / Grandfathered Systems: Systems that are eligible to remain in the Net Metering program by meeting criteria in Order 34509 and Order 34854.
- VODER: The Company’s *Value Of Distributed Energy Resources Study*.

# Proposal 1: Measurement Interval

## Understanding the Effect of “Netting”



Current “Net Energy Metering” method = Monthly Netting

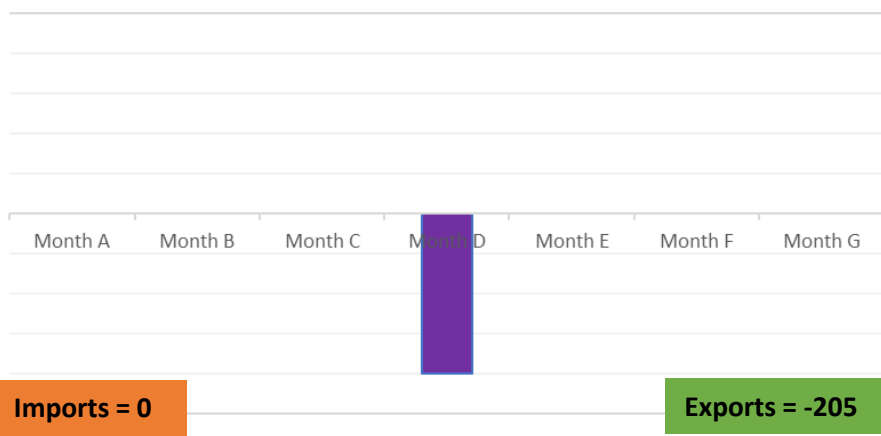
# Proposal 1: Measurement Interval

## The Company's Proposal

### Company's Proposed Method: "Real-Time" Net Billing

From this...

Monthly *Netting*



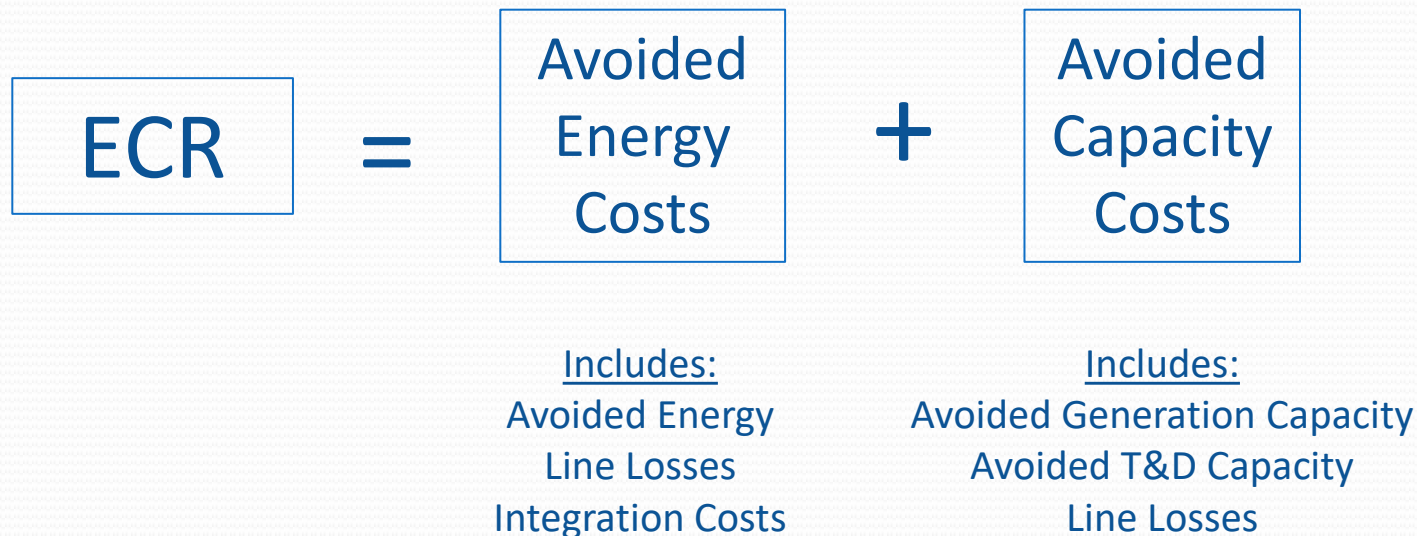
To this...

Continuous "Real-Time" Recording



# Proposal 2: Export Credit Rate

## Understanding the ECR

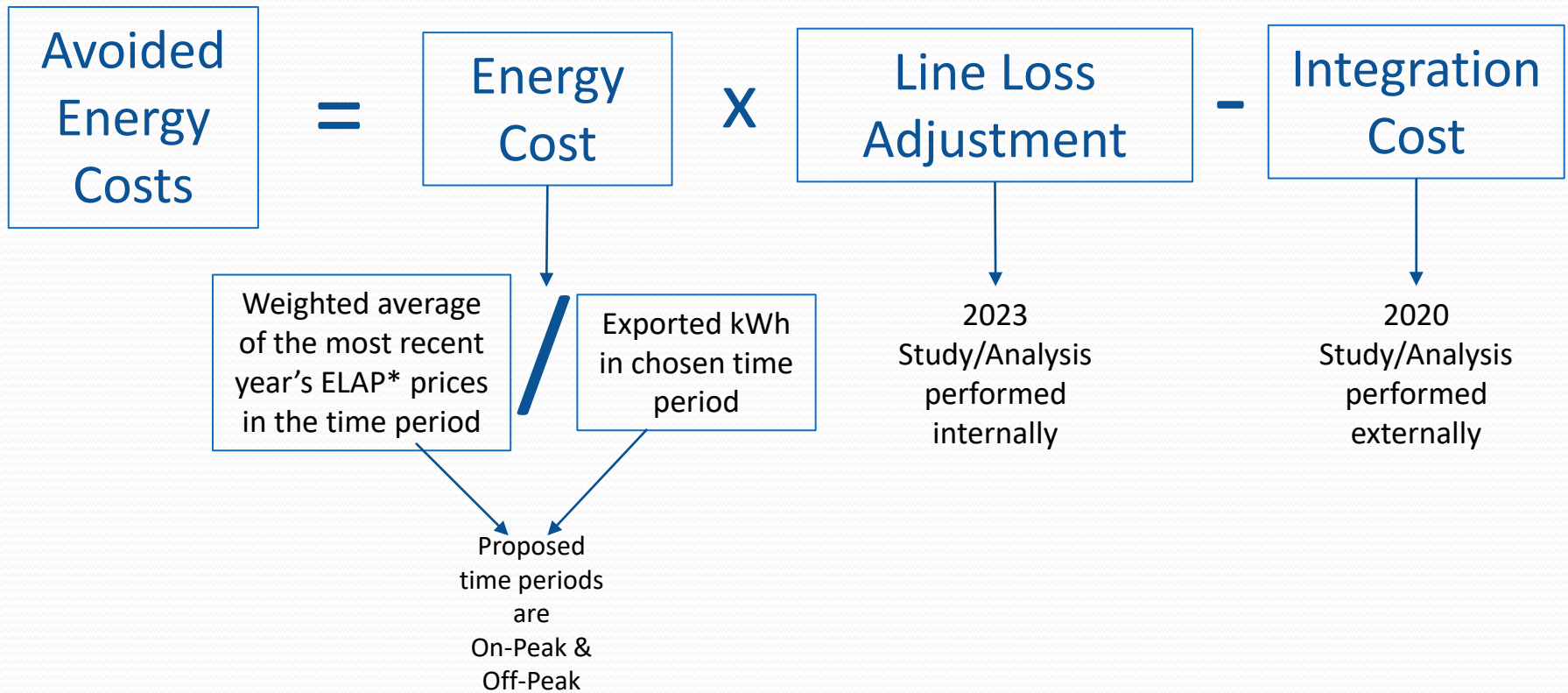


Note: Under current environmental and/or legislative requirements, customer-exports do not provide environmental benefits or avoid costs that are quantifiable, measurable, or affect rates – as explained in the Application.

*See Ellsworth Direct at 24-25.*

# Proposal 2: Export Credit Rate

## Avoided *Energy* Costs

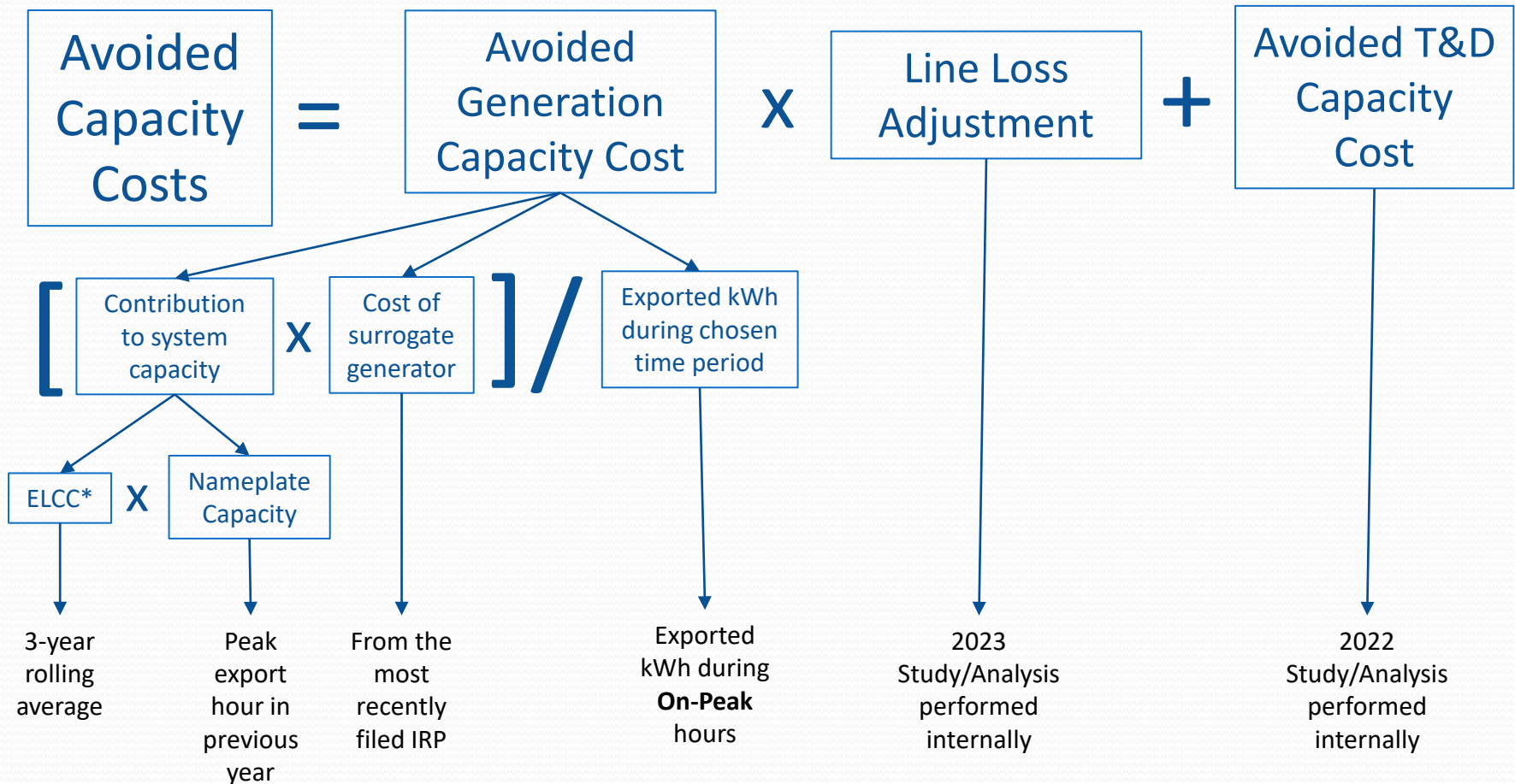


\*ELAP = Energy Imbalance Market Load Aggregation Point



# Proposal 2: Export Credit Rate

## Avoided *Capacity* Costs



\*ELCC = Effective Load Carrying Capability

## Proposal 2: Export Credit Rate

### The Company's Proposed *On-Peak* hours\*

3pm to 11pm

June 15 through September 15

Monday through Saturday

Excludes Sundays & Holidays

\*Currently identified as the hours of the Company's greatest system need for energy and capacity. *Ellsworth at 9.*

# Proposal 2: Export Credit Rate

## The Company's Proposed ECR

<b>Export Credit Rate by Component (cents/kWh)</b>		
<b>Energy</b> <i>Including integration and losses</i>	On-Peak	8.59 ¢
	Off-Peak	4.91 ¢
	<i>Annual*</i>	5.16 ¢
<b>Generation Capacity</b>	On-Peak	11.59 ¢
	Off-Peak	0.00 ¢
	<i>Annual*</i>	0.79 ¢
<b>Transmission &amp; Distribution Capacity</b>	On-Peak	0.25 ¢
	Off-Peak	0.00 ¢
	<i>Annual*</i>	0.02 ¢
<b>Total</b>	<b>On-Peak</b>	<b>20.42 ¢</b>
	<b>Off-Peak</b>	<b>4.91 ¢</b>
	<i>Annual*</i>	5.96 ¢

Current “import” rate ~ 11.2 ¢

(For residential customers, first 800 kWh, with FCA and PCA)

# Proposal 3: Updating the ECR

To be filed in April  
To be effective 1 June

## The Company's Proposed ECR Update Schedule

<b>Input</b>	<b>ECR Component</b>	<b>Type of Update</b>
<b>Real-Time Exports</b> <i>12 months ending Dec 31</i>	Avoided Energy; Avoided Generation Capacity	Annual
<b>ELAP Hourly Market Prices</b> <i>12 months ending Dec 31</i>	Avoided Energy	Annual
<b>Contribution Capacity - ELCC</b> <i>3-year rolling average</i>	Avoided Generation Capacity	Annual
<b>Peak Annual Exports</b> <i>Total MW</i>	Avoided Generation Capacity	Annual
<b>Levelized Cost of Avoided Resource</b> <i>Cost per kW-year</i>	Avoided Generation Capacity	Routine - Most recently filed IRP
<b>Hours of Capacity Need</b> <i>On-Peak Hours</i>	Avoided Energy; Avoided Generation Capacity	Routine - Most recently filed IRP
<b>Transmission &amp; Distribution Deferral</b> <i>Annual Deferral Value</i>	Avoided Transmission & Distribution Capacity	Routine - Most recently filed IRP
<b>Line Loss Study</b> <i>Loss Coefficients</i>	Avoided Line Losses	Routine - Updated with periodic line loss study
<b>Variable Energy Resource Integration Study</b>	Integration Costs	Routine - Updated with periodic VER Study

# Proposal 4: Modify the PEC

## Project Eligibility Cap

Schedules 6 & 8:

Continue the existing 25kW cap.

Schedule 84:

Greater of...

a) 100kW, or b) 100% of demand at the service point.

Also, if >100kW, then additional criteria:

Exporting System Interconnection Requirements 100 kW and Greater

Total Nameplate Capacity	Inverter Settings Documentation	Install Plant Controller	Interconnection Agreement
100kW - 500 kW	✓	✗	✗
500kW - 3 MW	✓	✓	✗
3 MW+	✓	✓	✓

# Proposal 5: Other Considerations

## Recovery of Export Credit Expenditures

“The Company proposes to treat ECR expenditures as a net power supply expense (“NPSE”) subject to 100% recovery.”

The recovery of NPSE will be from all customers.

## Billing & Transfer Criteria for ECR Financial Credits

“The Company proposes that financial credits offset all billing components of the bill – not just the energy-related portion of a customer bill.”

“...the Company proposes that a customer could transfer financial credits to another account held in their name for their own usage.”



# Proposal 5: Other Considerations

## Conversion of kWh Credits to Financial Credits

During the first year, surplus kWh credits would be used to offset consumption.

“The Company proposes that accumulated kWh credits held at service points with non-legacy systems be converted to financial credits one year after the effective date of a Commission-authorized change in compensation structure.”

## Transition Period

“The Company carefully considered whether a transition period was warranted, ..., the Company does not believe it is prudent to continue to overcompensate customers for their exported energy.”



# Billing Impact

# Average Monthly Bill Impact

Rate Schedule	Current NEM	Proposed Net Billing	Combined Impact of ECR & GRC Proposals
Schedule 6 – Residential	\$39.63	\$51.75	\$78.53
Schedule 8 - Small General Service	\$25.99	\$40.67	\$43.92
Schedule 84 - Large Commercial, Industrial, and Irrigation	\$61.64	\$73.94	\$124.10

Individual bill total charge driven by actual consumption and exports

Does not include PCA, FCA, rider surcharge/credit as these change year to year

# ECR and GRC Filing Proposals

## Export Credit Rate Filing

- Case No. IPC-E-23-14
- 1. Implement to real-time “Net Billing”
- 2. Establish an export credit rate (“ECR”)
- 3. Set method for updating the ECR
- 4. Modify the Project Eligibility Cap
- 5. Other considerations related to implementing an ECR

- **Exports**

## General Rate Case Filing

- Case No. IPC-E-23-11
- 1. Consumption rate increase
- 2. Rate modernization plan
  - Service charge and energy rates
- 3. PCA, FCA, Rider adjustments
- 4. Other secondary requests

- **Consumption**

# General Rate Case

## Case No. IPC-E-23-11

- Company has requested a change in rates
- IPUC Virtual Workshops were previously held on 8/14/23 and 8/15/23
- Customer hearings are TBD
- Go to PUC web page for more information



# Consumer Assistance

*Jolene Bossard*

*Utilities Compliance Investigator*



# Consumer Assistance

- Utility Compliance Investigators assist customers to resolve issues and/or disputes with the Company.
- Investigators monitor compliance with laws, commission rules, and the Company's tariff.
- Investigators review issues from previous cases, review previous complaints, review submitted comments from customers, and investigate consumer issues raised in the case.

# Consumer Issues

As of this week, the PUC has received 209 Customer Comments

- No changes or keep Net Metering;
- Grandfather all existing systems;
- Customer incentives and;
- Environmental impact.

# CUSTOMER COMMENTS

Customer written comments are due October 12, 2023.  
(Reference Case Number **IPC-E-23-14**)

- Internet Website Address – [puc.idaho.gov](http://puc.idaho.gov)
- Select - Case Comment Form (once comments are submitted, they become part of public record)
- Email – Address: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)
- Mail – IPUC, PO Box 83720, Boise, ID 83720-0074
  - Blank Customer Comments sheets are available here tonight to be mailed in or left with Staff.
- Public Customer Hearing – TBD


COMMENTS ONLY  
(QUESTIONS WILL NOT BE ADDRESSED)

# Idaho Public Utilities Homepage



-  **Case Comment Form** 
-  **Annual Gross Intrastate Revenues Report Form**
-  **Electric**
-  **Telecom**
-  **Water**
-  **Natural Gas**
-  **Rail Safety**
-  **Pipeline Safety**
-  **Multi-Utility**

## News Updates

- IPUC 2022 Annual Report
  - In Re COVID-19 Response - Order No. 35375
  - Current Openings - Careers
  - IPUC Rules of Procedure Track Changes Draft Case No. RUL-U-21-01
  - Negotiated Rulemaking Summary Case No. RUL-U-21-01
- 

# Comments Form Page



## Case Comment or Question Form

Use this form to **file a comment or ask a question about a utility case** pending before the Commission. If you know the case number, please include it.

Submit electronically below or send in to:

Idaho Public Utilities Commission  
P O Box 83720  
Boise, Idaho 83720-0074  
FAX: (208) 334-3762

Use the **Consumer Complaint / Inquiry Form** if you need help resolving a problem with a utility or have a question about your bill, disconnection of service, service reliability and outages, cost of a line extension, customer service, or other issues that are not related to a utility case.

**Case Comment Form**

Use this form to file a comment or ask a question about a case

Case Number:

First Name:

Last Name:

Address:

City:

State:

Zip:

Daytime Phone:

Email:

Utility Company:

I acknowledge that submitting a comment in an open case constitutes a public record under Idaho Code § 74-101 (13) and all information provided by me on this form is available for public and media inspection. My comment may be reviewed by the utility.

Ask a question or state your comment:

# PUC Home Page



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- [IPUC 2022 Annual Report](#)
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[Annual Average Rate by Customer Class](#)  
[National Action Plan for Energy Efficiency](#)  
[NARUC Committee on Electricity](#)  
[Office of Energy Resources](#)  
[Western Interstate Energy Board \(WIEB\)](#)

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[Commission Order No. 35743 - Utility Regulatory Fees](#)

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Company

Description

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IDAHO POWER COMPANY

IDAHO POWER COMPANY -- APPLICATION FOR A DETERMINATION OF 2022 INCURRED.

[IPC-E-23-11](#)

IDAHO POWER COMPANY

IDAHO POWER COMPANY -- GENERAL RATE CASE

[IPC-E-23-14](#)

IDAHO POWER COMPANY

IDAHO POWER COMPANY -- APPLICATION FOR AUTHORITY TO IMPLEMENT APPLICABLE TO CUSTOMER ON-SITE GENERATION UNDER SCHEDULES 6,

[IPC-E-23-15](#)

IDAHO POWER COMPANY

IDAHO POWER COMPANY -- APPLICATION FOR APPROVAL OF FIRST AMENI

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IDAHO POWER COMPANY -- APPLICATION FOR APPROVAL OF SPECIAL COI ELECTRIC SERVICE TO LAMB WESTON, INC.





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## Case Summary

Last Updated	Case Number	Date Filed	Case Type	Status	Description
05/02/2023	IPC-E-23-14	05/01/2023	Application	Notice Received	IDAHO POWER COMPANY -- APPLICATION FOR AUTHORITY TO IMPLEMENT CHANGES TO THE SCHEDULED RATE STRUCTURE APPLICABLE TO CUSTOMER ON-SITE GENERATION UNDER SCHEDULED RATES. ESTABLISH AN EXPORT CREDIT RATE

## Case Files

05/01/2023 APPLICATION.PDF



## Public Comments

04/17/2023 COMMENT\_1.PDF  
05/02/2023 COMMENTS (1)\_1.PDF  
05/10/2023 COMMENTS (2)\_2.PDF  
05/11/2023 COMMENTS (13)\_13.PDF  
05/15/2023 COMMENTS\_31.PDF  
05/16/2023 COMMENTS\_4.PDF  
05/17/2023 COMMENTS\_4.PDF  
05/18/2023 COMMENTS\_7.PDF  
05/19/2023 COMMENTS\_7.PDF  
05/22/2023 COMMENTS\_14.PDF

# Where do we go from here?

- Customers can subscribe to the Commission's RSS feed to receive updates about all cases via email.
- Continue submitting your comments.
- Public Customer Hearing, date is TBD.
- The Commission will issue a final order which will close the case.



You can find case information and file comments on the PUC website:

[puc.idaho.gov](http://puc.idaho.gov)

Case Number IPC-E-23-14

Direct: (208) 334-0300

Toll-Free: (800) 432-0369

Fax: (208) 334-3762



# Questions?

# Workshop Participation

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