



Idaho Public Utilities Commission

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Brad Little, Governor

Paul Kjellander, Commissioner
Kristine Raper, Commissioner
Eric Anderson, Commissioner

Case No. PAC-E-19-08
Order No. 34661

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Rocky Mountain Power files application to change its net metering program

BOISE (June 4, 2020) - On April 23, 2020, the Idaho Public Utilities Commission received a Supplemental Application from Rocky Mountain Power to change how its customers who participate in its net metering program are compensated. The original application was filed June 14, 2019.

In its Supplemental Application, Rocky Mountain Power is asking for permission to close its current net metering program (Schedule 135) to new participants as of July 31, 2020. Customers on Schedule 135 would remain on that schedule, sometimes referred to as “grandfathering”, until July 31, 2030 and receive the retail rate for compensation. New customers who apply to participate in the net metering program after July 31, 2020, would do so under a new schedule, Schedule 136. This schedule would compensate customers for exported energy at an export credit rate, rather than the retail rate. Rocky Mountain Power estimates that the current retail rate paid to Schedule 135 customers is about 12.5 cents per kilowatt-hour and the proposed export credit rate for Schedule 136 is 2.4 cents per kilowatt-hour.

Rocky Mountain Power proposes to use three components to determine its export credit rate for customers: an energy component, an avoided line losses component, and an integration cost component. Rocky Mountain Power proposes to use the surrogate avoided resource (SAR) method, with on-peak and off-peak pricing, to determine the energy value in the export credit rate. The method is used by the public utilities commission to calculate published avoided cost prices under the Public Utility Regulatory Policies Act of 1978. This method reflects the costs the utility would incur if it were to build, operate and maintain a natural gas fired combined cycle combustion turbine. Based on 2019 data and the proposed surrogate avoided resource rates set to take effect on June 1, 2020, Rocky Mountain Power calculates the average value of the SAR-based energy component at \$22.34 per MWh. Rocky Mountain Power calculates the avoided line losses to be \$3.36 per MWh and integration costs to be \$0.25 per MWh.

Rocky Mountain Power also proposes to charge customers a one-time, non-refundable application fee of \$85 that would be submitted with customers’ applications for on-site generation.

The changes to the net metering program, including the proposed export credit rate, will be analyzed by the company in a comprehensive study that examines the costs and benefits of net metering. The study process will be conducted in two steps: a study design phase and study review phase, with opportunities for public input during both phases.

The study design phase provides the parties and the public the opportunity to comment on the scope and methods of the comprehensive study. Following the study design phase, the commission will issue an order establishing the scope, and methods of the study. Rocky Mountain Power will then conduct the comprehensive study and file it with the commission. After Rocky Mountain files the study, the commission will issue an order establishing the procedure and schedule for the study review phase. The study review phase will allow parties and the public to comment on whether the study was conducted in a credible and fair manner and whether the study is sufficiently comprehensive to support a well-informed decision regarding Rocky Mountain Power's net metering program.

A workshop on the proposed changes to the net metering program will be held Thursday, June 18, from 6:00 p.m. to 9:00 p.m. (MDT).

Those interested in participating can access the virtual public workshop by going to: <https://adamrush.my.webex.com/adamrush.my/j.php?MTID=m2c84d845d6d2185fc8f0a8530455ad90> and entering Meeting Number 126 921 8458 and password nRcKSZZw688.

Alternatively, customers can join by phone by dialing 1-404-418-9388 and entering access code 126 921 8458.

The public workshop is intended to allow Commission Staff to discuss its preliminary views of the Supplemental Application, as reflected in Staff's preliminary comments filed on May 26, 2020, and to receive feedback from the public. *See* Order No. 34661.

Staff and other parties in this case filed preliminary comments in the study design phase and grandfathering on May 26, 2020. Revised comments are due July 16 and are intended to reflect public input gathered at the public workshop.

A telephonic public customer hearing will be held on Monday, June 22, at 3:00 p.m. (MDT). Those wishing to offer verbal comments or listen can dial 1-800-920-7487, and enter passcode 6674832#.

Those interested in submitting written comments on the study design or grandfathering have until July 16, 2020, to do so. Written comments must contain a statement of reasons supporting them, and those who would like a technical hearing on the study design phase must specifically request a technical hearing in their written comments.

Comments must contain the case number (PAC-E-19-08). Those wishing to submit comments electronically may do so by visiting the Commission's home page at www.puc.idaho.gov. Click on the "Case Comment Form" under "Consumers" and complete the form using the case number, PAC-E-19-08.

Comments also can be mailed to:

For the Idaho Public Utilities Commission:

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:
11331 W. Chinden Blvd.
Building 8, Suite 201-A
Boise, ID 83714

E-mail: secretary@puc.idaho.gov

For Rocky Mountain Power:

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Rocky Mountain Power requests that parties send all data requests regarding this application in Microsoft Word to the following addresses:

By e-mail (preferred):
datarequest@pacificorp.com

By regular mail:
Data Request Response Center
PacifiCorp
825 Multnomah, Suite 2000
Portland, OR 97232