



Case No. IPC-E-16-14, Order No. 33552; Case No. IPC-E-16-13, Order No. 33553

Contact: Gene Fadness (208) 334-0339, 890-2712

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Idaho Power seeks to build community solar project and modify existing Green Energy Program

Idaho Power Company recently filed two applications with the Idaho Public Utilities Commission: one that will allow customers to buy “subscriptions” at a proposed community solar array southeast of Boise and a second that updates the utility’s Green Energy Program.

Community solar project

Idaho Power is proposing to build a 500-kilowatt community solar project, allowing up to 1,093 residential customers and 470 non-residential customers to buy one or more \$740 subscriptions (one subscription would be the equivalent of a 320-watt panel) for the 25-year life of the proposed project.

Subscribers would receive a bill credit based on their level of subscription and the actual generation from their portion of the solar array. The monthly bill credit would be limited to no more than the participant’s monthly usage with excess production credited in a future month.

Idaho Power claims the solar array, proposed near its Boise Bench substation on the southwest corner of Amity and Holcomb roads, will cost about \$1.16 million to build and \$81,000 to connect to Idaho Power’s grid. Shareholders will provide about 15 percent of the construction cost, or about \$175,000, with the rest to be paid by subscribers. According to Idaho Power, the company will not earn a rate of return on the project and there will be no expense borne by Idaho Power customers who choose not to participate.

Completion of the project, if built, is anticipated in June of next year.

Idaho Power said the proposed project was requested by customers who cannot install their own rooftop solar panels because they reside in rental properties or multi-unit dwellings, have aging rooftops, too much shading or an unsuitable rooftop orientation.

The company states the proposed pilot program will assist the utility in learning about the “complexities associated with offering community solar programs including: customer commitment, construction, contracting, interconnection, maintenance and billing.”

The proposed 500-kW project would be divided into 350-kW for residential customers and 150-kW for commercial customers. Subscriptions would be rewarded on a first-come, first-served basis until program capacity is reached. The first 60 days of the enrollment window would reserve 70 percent capacity for residential customers and 30 percent for non-residential customers. After that, if there is unsubscribed capacity reserved for residential customers, it may be opened up to non-residential customers and vice versa. If the program is approved, Idaho Power plans to launch a marketing program in hopes of having the project fully subscribed within 120 days. If less than 80 percent of the program is subscribed within 120 days Idaho Power does not expect it will build the project.

Idaho Power would retain ownership of Renewable Energy Credits (RECs) and all other environmental attributes. The RECs would be retired by Idaho Power on behalf of subscribers.

The deadline for parties who want to intervene in the case for the purpose of presenting evidence and cross-examining other parties is July 21. Later, the commission will announce deadlines for written comments from customers. To comment on the application, go to www.puc.idaho.gov. Under the “Consumers” heading, click on “Case Comment Form,” and include the case number, IPC-E-16-14, in your comments. Comments can also be mailed to the commission at P.O. Box 83720, Boise, ID, 83720-0074.

Modifications to Green Power Program

In a separate application, Idaho Power is asking the commission to modify a program approved in 2001 that allows customers to participate in the purchase of green energy from primarily wind and solar resources in the Northwest.

Customers currently designate a dollar amount to be added to their monthly bills specifically to be used toward the purchase of Renewable Energy Certificates (RECs). A REC is created when one megawatt-hour of renewable energy is produced and delivered to the electrical grid. Purchase of the RECs means the utility uses less power generated from fossil fueled sources like coal or natural gas plants.

Idaho Power proposes to change the fixed dollar contribution to one of two other options for customers: buying blocks of power at \$1 for every 100 kilowatt-hour block of renewable energy or a “100 percent of usage option,” which means the customer elects to buy renewable energy equal to the customer’s total monthly usage.

Switching to these options, Idaho Power claims, would allow it to better comply with national green energy standards, create a more transparent program for participants and align Idaho Power’s Green Power Program with similar programs offered in the Northwest.

As a second modification, Idaho Power proposes that the Bonneville Environmental Foundation (BEF), the Portland-based non-profit that secures REC sources for Idaho Power, gives preference to RECs within or closest to Idaho Power's service territory when possible.

Thirdly, Idaho Power proposes that 15 percent of the program's funds be used for marketing to invite greater customer participation. Currently, about 1,700 customers participate as well as a 15 schools, under the utility's Solar 4R Schools program. No program monies are currently used for marketing. If REC prices change significantly, Idaho Power may choose to use the marketing funds to cover the increase in REC prices rather than change the price to participants, but in no case, the company claims, will program funds be used for purposes other than the Green Power Program.

The company is considering, though not in this filing, later expanding the program to include a bulk-purchase option for large customers and adding a solar option, under which customers can direct that all the green energy they purchase come from solar sources. The market for solar RECs is not liquid enough at this time to include that option in this filing, Idaho Power said.

The commission is taking comment on this application through August 3.

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