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**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF IDAHO POWER  
COMPANY'S APPLICATION FOR  
AUTHORITY TO ESTABLISH NEW  
SCHEDULES FOR RESIDENTIAL AND  
SMALL GENERAL SERVICE  
CUSTOMERS WITH ON-SITE  
GENERATION

**Case No. IPC-E-17-13**

AURIC SOLAR, LLC'S MOTION TO FILE  
REPLY TO IDAHO POWER COMPANY'S  
ANSWER TO ICEA'S MOTION TO DISMISS

Pursuant to Commission Rules 255 and 256.03, Auric Solar, LLC ("Auric Solar") requests that the Commission accept this reply brief to Idaho Power Company's Answer to Idaho Clean Energy Association's Motion to Dismiss (filed November 13, 2017) ("Answer").<sup>1</sup> In the Answer, Idaho Power makes several inaccurate assertions against Auric Solar and others in the industry. Providing Auric Solar the opportunity to respond before the Commission decides ICEA's Motion to Dismiss serves the interest of the Commission, the parties, and the public.

<sup>1</sup> "In any proceeding, any party may move to file briefs, memoranda, proposed orders of the parties or statements of position . . ." IDAPA 31.01.01.255. Auric Solar requests action on this procedural motion within 14 days if the Commission acts upon the underlying Motion to Dismiss within that period. A copy of the Motion was served on Idaho Power by hand delivery on November 17, 2017. Counsel for Auric Solar has attempted to reach a representative of each party by telephone and will continue to do so until contact is made. Auric Solar has also provided electronic copies of this motion to all representatives at the email addresses indicated on the Certificate of Service.

ORIGINAL

**1) The online content submitted by Idaho Power refers to fixed payments between Auric Solar and the customer, not between the customer and Idaho Power.**

In its Answer, Idaho Power argues that Auric Solar misleads customers by promising fixed rates. Answer at 14-15 & Attachments 1-4.<sup>2</sup> A separate customer class is necessary, Idaho Power argues, in part to inform rooftop customers that Idaho Power's rates and rate structures are subject to change. Answer at 14-15.

Idaho Power misunderstands the statements in the online content it submits. References to fixed rates refer to the terms between a customer and Auric. In many instances, the customer finances the rooftop solar installation by making a fixed, monthly payment to Auric's financing partner for a particular term. When the term expires, the installation is owned free and clear and will produce electricity for its remaining useful life. In this manner, the customer secures a source of electricity for a fixed monthly payment.

The customer still maintains a relationship with the utility, whose rates are subject to changes. Customers specifically acknowledge the possibility of rate changing by signing the net metering application. Idaho Power also informs customers through emails, brochures, and its website. Answer at 16. Many or most customers also receive a monthly power bill (albeit a low one), confirming the customer's ongoing relationship with the utility. Idaho Power's misinterpretation of online content does not justify creating a new customer class.

**2) Idaho Power proposes to grandfather existing customers.**

Idaho Power also argues that Auric Solar "perpetuate[s]" the idea that existing systems

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<sup>2</sup> Idaho Power's attachments appear to be screenshots of websites or social media posts. Auric Solar will address Idaho Power's arguments head-on without conceding the accuracy, genuineness, or admissibility of these materials. Auric Solar reserves the right to do so as the proceeding continues.

will be grandfathered into existing rates. Answer at 17. Idaho Power contends this is inappropriate, in part, because “grandfathering rates for net metering customers cannot lawfully occur.” *Id.* (citing *Idaho State Homebuilders v. Wash. Water Power*, 107 Idaho 415 (1985)).

But Idaho Power’s Application proposes to grandfather existing customers: “Closing Schedule 84 to new participants will not impact existing R&SGS net metering customers; the Company proposes that existing R&SGS net metering customers remain on Schedule 84 for a period of time, under the same rate structure and compensation method, and transition over some period of years to the proposed new schedules in the future.” Application at 6-7 (emphasis added). Idaho Power cites the *Homebuilders* case to support distinguishing between customers. Application at 7. Idaho Power appears to argue that aspects of its own Application are not lawful.

Legality aside, Idaho Power cannot fault Auric Solar for pointing out what Idaho Power itself has proposed.

**3) Creating a separate customer class generates more uncertainty than the possibility of rate changes across the entire R&SGS class.**

Idaho Power contends that creating a new customer class will not create additional uncertainty because rates are always subject to change. Answer at 16 (“[I]t is erroneous to believe that Idaho Power’s filing ‘creates’ or ‘injects extreme uncertainty into the market.’ Customer uncertainty has ALWAYS existed because all customer utility rates are subject to change.”).

This argument conflates general rate uncertainty with creating a new, disfavored class of customers. General rate uncertainty is a routine risk made manageable, in part, because changes apply across the board to all R&SGS customers. There is safety in numbers.

Creating a separate customer class is different. The Application makes clear that Idaho Power intends to treat this new class unfavorably. Yet the Application does not disclose the



degree or type of unfavorable treatment Idaho Power will seek in the future. If the Application succeeds as proposed, Auric Solar will not be able to offer the same terms to future customers. Indeed, it likely will not be able to operate in the Idaho market at all. Creating a small, disfavored class of customers without disclosing how that class will be treated creates uncertainty above and beyond the possibility of rate changes to the entire R&SGS class.

**4) Auric Solar does not seek to avoid addressing the costs and benefits of distributed generation. It just wants the issue addressed in an appropriate proceeding.**

To be clear, Auric Solar is not averse to considering the costs and benefits of distributed energy generation. It just wants to do so in an appropriate proceeding. An appropriate proceeding would, at least, 1) comply with the Commission's orders, specifically Order No. 32846; 2) fully evaluate both the benefits and detriments of distributed generation; and 3) lay out the justifications and proposed treatment of any new customer class that would be created. Idaho Power's current Application is unjustified and does not meet these requirements.

Dated: November 17, 2017.

GIVENS PURSLEY LLP



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## CERTIFICATE OF SERVICE

I certify that on November 17, 2017, a true and correct copy of AURIC SOLAR, LLC'S REQUEST TO FILE REPLY TO IDAHO POWER COMPANY'S ANSWER TO ICEA'S MOTION TO DISMISS was served upon all parties of record in this proceeding via the manner indicated below:

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