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IDAHO PUBLIC  
UTILITIES COMMISSION

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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

CITY OF BOISE CITY'S  
MEMORANDUM JOINING IN  
SUPPORT OF, AND  
PROVIDING COMMENTS TO,  
IDAHO CLEAN ENERGY  
ASSOCIATION'S MOTION TO  
DISMISS

**INTRODUCTION**

COMES NOW, the city of Boise City, hereinafter referred to as "the City" and pursuant to this Idaho Public Utility Commission's ("Commission") Order No. 33901, filed on October 4, 2017, and pursuant to Rules of Procedure, Rule 56 and Rule 256 (IDAPA 31.01.01.56; 31.01.01.256), hereby files this Motion Joining in Support of, and Providing Comments to, Idaho Clean Energy Association's Motion to Dismiss, and petitions the Commission to restructure Idaho Power's Application for Authority to Establish New Schedules for Residential and Small General CITY OF BOISE CITY'S MEMORANDUM JOINING IN SUPPORT OF, AND PROVIDING COMMENTS TO, IDAHO CLEAN ENERGY ASSOCIATION'S MOTION TO DISMISS – page 1

Service Customers with On-Site Generation and proposes an alternative procedure which would include establishing a technical advisory committee to begin an evaluation of the costs and benefits of net metering, as well as the value of distributed energy and solar.

Specifically, the City supports Idaho Clean Energy Association's arguments presented in its Motion to Dismiss ("ICEA's Motion to Dismiss") to the extent that Idaho Power failed to follow the Commission's 2013 Order No. 32846, by bringing the same substantive case before the Commission in this Application as it did in its 2012 Application for Authority to Modify its Net Metering Service and Increase the Generation Capacity Limits ("2012 Application"), without conducting citizen outreach or presenting the issue in a general rate case. The City also supports ICEA's request for alternative relief, as it suggests that the Commission establish a procedure similar to that followed in Case No. IPC E-14-18, by requiring an initial settlement conference to form a technical advisory committee and stakeholder workshops to study the valuation of distributed energy and solar.

### **STATEMENT OF THE FACTS**

On July 27<sup>th</sup>, 2017, Idaho Power filed an Application with the Commission requesting: 1) that Schedule 84, which is currently the schedule for R&SGS on-site generation customers be closed to new service; 2) that a new customer class for R&SGS customers with on-site generation be established; and 3) that smart inverters be required for on-site generation. Idaho Power argues that the rates currently charged to net metering customers are not designed to reflect the value of bi-direction service being provided to them. Idaho Power suggests that this inaccuracy in pricing could result in unfair cost shifting between customers with on-site generation and those without.

Multiple parties have intervened ("Intervenors") in this case and although each party's interest in CITY OF BOISE CITY'S MEMORANDUM JOINING IN SUPPORT OF, AND PROVIDING COMMENTS TO, IDAHO CLEAN ENERGY ASSOCIATION'S MOTION TO DISMISS – page 2

this case varies to some degree, all parties agree that isolating the issues of establishing a separate rate class for net metering R&SGS customers without taking a comprehensive approach and conducting a valuation of solar is procedurally backwards and presents harmful effects to the renewable energy market.

### **MOTION TO DISMISS**

The City supports ICEA's position in its Motion to Dismiss to the extent that, 1) Idaho Power's current Application presents the same set of operative facts as its 2012 application and has failed to demonstrate a difference in circumstances that would necessitate revisiting this issue; 2) the Commission decided the issue of establishing a separate rate class in its 2013 Order No. 32846; and 3) Idaho Power has failed to follow the Commission's 2013 Order requiring certain conditions related to a filing of this sort, including obtaining customer and stakeholder feedback and presenting its application as a general rate proceeding. In the interest of brevity, the City will not reiterate those arguments, instead the City would draw the Commission's attention to the public policy basis which support an alternative approach. The City, however, requests that instead of outright dismissing the Application, the Commission instruct Idaho Power to engage in a different procedure as described within the City's request for alternative relief.

### **ALTERNATIVE REQUEST**

The City requests that the Commission instruct Idaho Power to restructure the procedure in a more productive and efficient manner, one that is in line with the Commission's holdings in its 2013 Order No. 32846 and is in the public's best interest.

Idaho Power filed this Application requesting that a separate rate class be established for R&SGS on-site generation customers. However, Idaho Power failed to demonstrate a need for a separate class, nor has it quantified the harm with operating under the current rate structure for on-site generation customers. Instead, the structure of Idaho Power's Application is creating uncertainty in the industry which is currently effecting solar installation and may dramatically reduce the number of citizens who will pursue rooftop solar. By separating R&SGS on-site generation customers into a separate class, without determining if this separation is needed or the appropriate rate structure, those customers wishing to pursue on-site generation will be forced to do so without confidence that their on-site solar projects will not be cost prohibited.

In addition, the City has an interest in the economic health of Boise City and Idaho in general, which in the future could be dependent on the ability to provide affordable renewable energy to more companies who are moving toward 100% Renewable Energy goals. Also, this uncertainty may cause the economic development of the area to suffer, as the solar industry provides both fiscal stimulus and local job opportunities. The adverse impact of separating net metering customers into an unknown rate class is undeniable and could eliminate Boise's progress towards an efficient system driven by the customer's desires for renewable energy.

The City has a direct interest in seeing the value of solar and distributed energy studied and determined. The City established detailed energy use and carbon reduction goals for internal operations based on detailed baselining of current use and the implementation of energy efficiency

CITY OF BOISE CITY'S MEMORANDUM JOINING IN SUPPORT OF, AND PROVIDING COMMENTS TO,  
IDAHO CLEAN ENERGY ASSOCIATION'S MOTION TO DISMISS – page 4

measures in combination with increased installation of renewable energy. An essential aspect of the City's ability to meet these goals is solar energy, and the viability of solar energy here in Boise City, relies on eliminating the uncertainty related to net metering and providing predictability for customers currently engaged or wishing to be a part of Idaho Power's net metering program. Before deciding whether there is a need for a new rate class the value of solar must be studied and Idaho Power should thoroughly examine the appropriate cost of service. Attempting to isolate the issue of creating a new rate class without studying whether the need for one exists, creates a high level of uncertainty in the market which the Commission attempted to avoid when it stated in its Order No. 32846 that such dramatic changes should be fully vetted in a general rate case.

The City recommends that the Commission issue an Order directing Idaho Power to work with PUC Staff and the Intervenors in convening a settlement conference and series of workshops for interested parties to confer with Idaho Power on net metering rates, the value of distributed energy, and to engage a technical advisory committee to study these issues.

This procedure is in line with the Commission's instructions to Idaho Power in its 2012 Application. In the Commission's Order No. 32846, it stated that Idaho Power should inform and obtain feedback from its customers and stakeholders before proposing major program-specific changes. Most importantly perhaps, the Commission directly addressed the procedure that should be followed if Idaho Power wished to separate net metering customers from the standard R&SGS classes. In its Order No. 32846, the Commission stated that if Idaho Power wished to address this issue again it should do so in the context of a general rate case.

In lieu of dismissing this Application, as requested by ICEA, the City encourages the Commission to restructure this case as a settlement procedure with a technical advisory committee

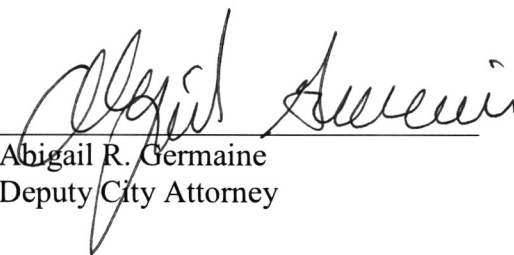
CITY OF BOISE CITY'S MEMORANDUM JOINING IN SUPPORT OF, AND PROVIDING COMMENTS TO,  
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and stakeholder workshops. In doing so, the Commission should direct Idaho Power to lead these efforts to collaborate on a new methodology for studying the value of net metering, by having a neutral, third party conduct necessary studies and analysis.

### CONCLUSION

WHEREFORE, the City respectfully requests that this Commission enter an order directing Idaho Power to restructure this proceeding to conduct a settlement conference with all parties, which establishes workshops and a technical advisory committee.

DATED this 27 day of October, 2017.

  
Abigail R. Germaine  
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**CERTIFICATE OF SERVICE**

I hereby certify that I have on this 27<sup>th</sup> day of October, 2017, served the foregoing

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