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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)	IPC-E-17-13
AND SMALL GENERAL SERVICE CUSTOMERS WITH)	
ON-SITE GENERATION)	

IDAHO SIERRA CLUB'S PARTIAL JOINDER TO ICEA'S MOTION TO DISMISS

Idaho Sierra Club ("Sierra Club"), by and through its attorney Kelsey Jae Nunez of Kelsey Jae Nunez LLC, and pursuant to IDAPA 31.01.01.256.04, hereby partially joins in the *Motion to Dismiss* filed by the Idaho Clean Energy Association ("ICEA") on October 27, 2017.

I. Procedural Posture

Commission Rule of Procedure 256.04 states, "When a prehearing motion has been filed, all parties seeking similar substantive or procedural relief must join in the motion or file their own motions within seven (7) days after receiving the original

motion." Sierra Club asserts that by alleging cross subsidies and seeking a new rate class for net metering customers before thoroughly analyzing the costs and benefits of distributed energy generation, Idaho Power Company is "putting the cart before the horse." Sierra Club seeks relief similar to the Alternative Relief requested in ICEA's *Memorandum in Support of Motion to Dismiss* and therefore files this Partial Joinder.

II. Partial Joinder

A. Factual Background

Sierra Club joins in ICEA's recitation of background facts. In addition, it is important to note that Idaho Power Company has acknowledged that "[t]he Company has not conducted any analyses to quantify the benefits associated with serving customers with on-site generation." *Idaho Power Company's Response to Vote Solar's Data Request No. 42(b)*, attached as Exhibit 601.

B. Alternative Relief

Sierra Club joins in ICEA's request for alternative relief, i.e. a settlement conference to establish a technical review process similar to that utilized in the solar integration matter, IPC-E-14-18 (attached to ICEA's Notice of Errata filed on October 30, 2017). The remedies requested by the Company cannot be properly analyzed until the costs and benefits of distributed energy resources ("DERs"), including those DERs used by customers engaging in net metering and at issue in this matter, are thoroughly understood. Any regulatory changes affecting customer-owned and grid-connected DERs should be <u>based upon</u> a full and complete study of costs and benefits; the study should not come after a regulatory change is implemented.

Idaho Power's Application does not establish that a financial or technical emergency situation necessitates bypassing the critical first step of analyzing costs and benefits. According to the Company's 2017 net metering report, NEM customers with a full 12 months of billing data in 2016 only represent 0.3% of peak load and resulted in a cost shift of \$116,682¹ (or approximately 0.02% of revenue within the residential customer class²). Idaho Power used an overly simplified cost of service-based analysis which failed to capture numerous resulting benefits, and even so, the alleged cost shift remains insignificant today and into the near future.

Idaho's solar industry currently employs hundreds of workers across the state. Before we cast further uncertainty into the marketplace, it is in everyone's interest to first conduct studies and next consider a broader range of alternatives and approaches that could be implemented in Idaho. In sum, Sierra Club joins in ICEA's request for alternative relief because it outlines an improved process to first complete valuations through use of a stakeholder driven technical advisory committee.

Sierra Club respectfully requests that the Commission issue an order restructuring this proceeding to conduct a settlement conference with all parties, which establishes workshops and a technical advisory committee similar to the proceeding in IPC-E-14-18.

http://www.puc.idaho.gov/fileroom/cases/elec/IPC/IPCE1227/company/20170428ANNUAL%20NET%20METERING%20REPORT.PDF.

¹ See Compliance Filing in Case No. IPC-E-12-27, Annual 2017 Net Metering Status Report, *available at*

² Based on the proposed residential class revenue for 2016 filed by Idaho Power as Exhibit 6 of Mr. Harris's testimony in IPC-E-16-02, *available at* http://www.puc.idaho.gov/fileroom/cases/elec/IPC/IPCE1602/company/20160315HARR IS%20EXHIBITS.PDF.

Dated this 3rd day of November, 2017.

Respectfully submitted,

Kelsey Jae Nunez, Attorney for Sierra Club

IDAHO SIERRA CLUB IPC-E-17-13 EXHIBIT 601

REQUEST NO. 42: Reference the statement by Mr. Tatum on page 5, lines 17-

20 of his direct testimony, that: "The existing R&SGS rate design does not reflect the

costs and benefits of the transaction between Idaho Power and its customers with on-

site generation."

a. Please provide all analyses that the Company has conducted that quantify

the cost to serve customers with on-site generation and all data relied upon. If

applicable, please provide supporting work papers in their native format with formulas

and links intact

b. Please provide all analyses that the Company has conducted that quantify

the benefits associated with serving customers with on-site generation and all data

relied upon. If applicable, please provide supporting work papers in their native format

with formulas and links intact.

RESPONSE TO REQUEST NO. 42:

a. The Company performed two separate analyses to estimate the cost shift,

and the cost to serve residential customers with on-site generation, as of the end of

2015 and 2016. Please see the response and Attachments to Request No. 17 for a

description of the analysis and the workpapers for the analyses.

b. The Company has not conducted any analyses to quantify the benefits

associated with serving customers with on-site generation. However, the Company has

requested a new docket be opened at the conclusion of this case with the purpose of

establishing a compensation structure for customer-owned DERs that reflects both the

benefits and costs that DER interconnection brings to the electric system.

The response to this Request is sponsored by Connie Aschenbrenner, Rate

Design Manager, Idaho Power Company.

IDAHO POWER COMPANY'S RESPONSE TO VOTE SOLAR'S SECOND SET OF DATA REQUESTS TO IDAHO POWER COMPANY - 38

CERTIFICATE OF SERVICE

I certify that on this 3rd day of November, 2017, true and correct copies of the above PARTIAL JOINDER TO ICEA'S MOTION TO DISMISS were sent to the following persons via the methods noted:

Hand delivered (original plus seven copies) and emailed:

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