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IDAKO PUBLIC ITILITIES COMMISSION

Commission Secretary Idaho Public Utilities Commission 11331 W Chinden Blvd Building 8, Suite 201-A Boise, ID 83714

Reference: IPC-E-18-15

Subject: October 11, 2019 Settlement Agreement

Dear Commissioners:

Sierra Club submits these comments in support of the Settlement Agreement and requests the Commission approve the agreement in its entirety.

As is increasingly the case in this period of rapid change within the electric utility space, customer ownership of on-site generation raises multiple interrelated issues. Under this docket, a significant number and representative group of interested parties engaged in eight settlement sessions involving dozens of hours of discussion and negotiation on these complicated and nuanced matters. Sierra Club believes use of this type of settlement process is especially valuable in these times and took support for continued use of this process into consideration when deciding whether to support or remain neutral on the Settlement Agreement.

The Settlement not only resulted after intensive discussion of matters related to residential and small commercial customers with on-site generation but also reflects substantial compromises made by the parties in reaching a settlement. Sierra Club and others agree there are at least two remaining open issues:

- (1) how should existing residential and small commercial customers with on-site generation be affected by this new program and
- (2) an additional new docket is needed to address the current multiplicity of methods for calculating "avoided cost" benefits.

Our support for the settlement was premised upon a belief that the Commission will support separate review of two remaining open issues.

Sincerely,

Mack Watermen

Zack Waterman Idaho Director, Sierra Club

Cc: Parties to the proceeding via email