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IDAHO PUBLIC  
UTILITIES COMMISSION

Attorney for the Idaho Conservation League

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE</b>	)	<b>CASE NO. IPC-E-18-15</b>
<b>APPLICATION OF IDAHO POWER</b>	)	
<b>COMPANY TO STUDY THE COSTS,</b>	)	<b>IDAHO CONSERVATION LEAGUE</b>
<b>BENEFITS, AND COMPENSATION</b>	)	<b>AND VOTE SOLAR</b>
<b>OF NET EXCESS ENERGY</b>	)	
<b>SUPPLIED BY CUSTOMER ON-</b>	)	<b>PETITION FOR</b>
<b>SITE GENERATION</b>	)	<b>RECONSIDERATION</b>

The Idaho Conservation League (ICL) and Vote Solar respectfully request the Commission reconsider the eligibility date for a distributed energy system owner to remain on existing Schedules 6 and 8. As the Commission recognized, the existing Schedules 6 and 8 dictate the design of distributed energy systems in which customers invest substantial sums.<sup>1</sup> The Commission found “the reasonableness of the payback period for on-site generation is extremely sensitive to program changes.”<sup>2</sup> But while the Commission did not find the current Schedules 6 and 8 were unjust or unfair, the Commission did explain “programmatic changes are at least being strongly contemplated” and outlined a series of further proceedings to examine the distributed energy program.<sup>3</sup>

We appreciate the Commission recognizing that it has legal authority to distinguish between existing and new customers based on “the customers’ reasonable expectations when making significant personal investments in onsite-generation systems.”<sup>4</sup> This sound reasoning also recognizes that customers make decisions based on the facts known to them at the time, including the structures and rates that comprise the net metering program. Our concern is that

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<sup>1</sup> Order No 34509 at 5.  
<sup>2</sup> Order No 34509 at 12.  
<sup>3</sup> Order No 34509 at 12-13.  
<sup>4</sup> Order No 34509 at 10.

closing eligibility for Schedules 6 and 8 as of December 20, 2019, without having a successor program in place, does not allow customers to know the “facts” of what structures and rates will be at the time they make a decision whether to invest in distributed generation. That creates untenable uncertainty for customers, cannot make any informed projections by which to design a system. All they know is that the ultimate program will likely *not reflect* either the current net metering program or the rejected settlement agreement. There is no indication of what the program *will* look like.

Following the Commission’s decision, the only economically reasonable option for customers is to make no investments unless and until a successor program is in place. That benefits the utility—which sees customer-owned generation as a competitive threat—at the expense of customers. Thus, the Commission’s decision to end Schedule 6 and 8 now, instead of when new rates are applied, also provides the perverse incentive to the utility to delay the required study of costs and benefits, development of new rates, and delay filing a generate rate case in order to use the interim uncertainty placed on potential distributed generation customers to suppress customer adoption. Moreover, suppressing customer adoption of distributed generation pending studies and new rates undermines the broad public support and appetite for more distributed generation in Idaho. As the Commission admonished the parties in Order 34509: “The Company, Commission Staff, and all other stakeholders to the case would do well to listen to and understand the public sentiment regarding the importance of distributed on-site generation to Idaho Power’s customers.”<sup>5</sup> The Commission should not undermine customers’ ability to make informed decisions by cutting them off from one program before the replacement program is in place.

We are also concerned this level of uncertainty makes it very difficult for distributed energy system providers to give accurate information to the public. As the Commission recognizes, Idaho Code 48-1805 requires distributed energy system providers to make various disclosures to potential customers. These disclosures about potential system designs, costs, and paybacks require a billing system in place. Now with eligibility for existing Schedules 6 and 8 effectively closed, and no successor program in place, providers are unable to make informed disclosures. That deprives the public of the information the Legislature sought to provide them through Idaho Code 48-1805.

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<sup>5</sup> Order No 34509 at 10.

The simplest solution to this untenable level of uncertainty and attendant inability of customers to make informed investments in distributed generation is to set the eligibility date for remaining in Schedules 6 and 8 at such a time that the Commission approves a successor program. Using the date of any future program aligns with the Commission's legal authority to distinguish customers based on their reasonable expectations when considering an investment and incentivizes the utility to work towards timely resolution of the issues. Without knowing the tariff structure and rates that dictate the value of their investment, a customer cannot form a reasonable expectation about whether distributed energy is for them. Setting the eligibility date to when the Commission approves a new program also respects Idahoans clearly expressed desires to continue to invest their own money into their own distributed energy systems. It is unreasonable to expect a customer to make a decision without knowing what the future holds or when it will be decided. Establishing the approval of a new program as the eligibility date also provides a clear incentive for all stakeholders to work efficiently and transparently towards a future policy framework.

Because it aligns with the Commission's legal authority, allows Idahoans to make decisions about personal investments, and incents efficient resolution of the larger issues, we encourage the Commission to establish the eligibility date for remaining on Schedules 6 and 8 as the date upon which the Commission approves a successor program.

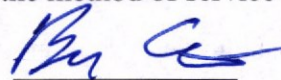
Respectfully submitted this 10<sup>th</sup> day of January 2020,



Benjamin J. Otto  
Idaho Conservation League  
Local Council – Vote Solar

## CERTIFICATE OF SERVICE

I hereby certify that on this 10<sup>th</sup> day of January 2020 I delivered true and correct copies of the foregoing PETITION TO RECONSIDER to the following via the method of service noted:



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