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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION OF)
IDAHO POWER COMPANY TO STUDY THE) **CASE NO. IPC-E-18-15**
COSTS, BENEFITS, AND COMPENSATION OF)
NET EXCESS ENERGY SUPPLIED BY)
CUSTOMER ON-SITE GENERATION) **SECOND STAFF REPORT**
)

BACKGROUND

On October 19, 2018, Idaho Power Company petitioned the Commission to initiate a docket to study the costs, benefits, and rate design related to on-site generation and net excess energy provided as a resource to the Company, as required by Order No. 34046 in Case No. IPC-E-17-13. Petition at 1; Order No. 34046 at 31.

In Order No. 34189, the Commission directed Staff to confer with intervening parties about the procedural and substantive scope of the docket, proposed schedule, and other matters. Order 34189 at 2. In Order No. 34274 the Commission further directed Staff to report back to the Commission by May 28, 2019, after which the Commission stated it would issue additional orders or notices related to the scope and procedure in this docket, including a public hearing for customers.

STAFF REPORT

As a result of Order No. 34189, the parties in this matter have met for one pre-hearing conference and four settlement meetings to work through the proposed procedural and

substantive scope of the docket, including, among other matters, a proposed schedule and a public hearing for customers. The intervening parties in this matter are the City of Boise, Idaho Clean Energy Association, Idaho Conservation League, IdaHydro, Idaho Irrigation Pumps Association, Micron Technology, NW Energy Coalition, Rocky Mountain Power, Sierra Club, Snake River Alliance, and Vote Solar.

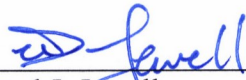
The first Staff Report was filed in this case on February 28, 2019 and showed significant progress on many important issues. While work has continued, progress since then has been impeded by a number of factors. A settlement meeting scheduled for March 12, 2019 was cancelled due to a Staff member's family emergency. Then on April 5, 2019, the Company filed Case No. IPC-E-19-15 – Application to Study the Measurement Interval, Compensation Structure, and Value of Net Excess Energy for On-site Generation Under Schedule 84. The Company proposed that a main issue in that Application, the value of net excess energy, be determined in the present case.

A fourth settlement meeting in this case was held on April 10, 2019, but it ended prematurely amid concern from parties about possible impacts from IPC-E-19-15. At that meeting, parties also decided not to schedule the previously contemplated mid-May settlement meeting in order to allow time for the Commission to decide if or how to integrate IPC-E-19-15 into this case. At its May 9th public Decision Meeting, the Commission decided to keep all aspects of IPC-E-19-15 separate from this case. With that issue resolved, Parties will resume settlement meetings in this case on June 17, 2019.

Despite these hurdles, significant progress has been made towards reaching a shared understanding on several key issues since the last Staff report. However, in order to preserve the confidentiality of settlement discussions, Staff has not included a description of those discussions here. Similarly, Staff has also not included an updated version of “Table 1: Study Items and Implementation Issues” in this report, as requested by a party. Despite its absence from this report, the framework and issue descriptions in Table 1 continue to provide valuable structure during settlement meetings and limit misunderstandings. Table 1 will continue to be updated by Staff and circulated among parties as progress is made in each settlement meeting.

Staff requests the Commission allow parties to continue on their current analytical and settlement tracks and direct Staff to report back again in three months, on or about August 28, 2019.

RESPECTFULLY submitted this *28th* day of May, 2019.



Edward J. Jewell
Deputy Attorney General

Umisc/comments/ipce18.15ejsd staff report2

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 28TH DAY OF MAY 2019, SERVED THE FOREGOING **STAFF REPORT**, IN CASE NO. IPC-E-18-15, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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