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IDAHO PUBLIC  
UTILITIES COMMISSION

**LISA D. NORDSTROM**  
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October 1, 2019

**VIA HAND DELIVERY**

Diane Hanian, Secretary  
Idaho Public Utilities Commission  
11331 W. Chinden Boulevard  
Building 8, Suite 201-A  
Boise, ID 83714

Re: Case No. IPC-E-19-28  
Jeff Comer vs. Idaho Power Company  
Idaho Power Company's Answer

Dear Ms. Hanian:

Enclosed for filing in the above matter please find an original and seven (7) copies of Idaho Power Company's REDACTED Answer and CONFIDENTIAL page 4 in the above matter. If you have any questions about the enclosed documents, please do not hesitate to contact me.

Very truly yours,



Lisa D. Nordstrom

LDN:kkt

Enclosures

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Attorney for Idaho Power Company

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

Jeff Comer,	)	
	)	Case No. IPC-E-19-28
Complainant,	)	
	)	IDAHO POWER COMPANY'S
vs.	)	<b>REDACTED ANSWER</b>
	)	
Idaho Power Company,	)	
	)	
Respondent.	)	
	)	

Respondent, Idaho Power Company ("Idaho Power" or "Company"), hereby answers the Complaint of Jeff Comer<sup>1</sup> filed August 6, 2019, in the above-entitled case. Idaho Power believes it has appropriately applied the eligibility criteria for meter aggregation by using parcel designation to determine the property boundaries and contiguous properties on which customer meters are located and that applying a broader definition of "property" as proposed by Mr. Comer is not consistent with conditions set

<sup>1</sup> Although signed by Mr. Comer, the Complaint appears to reflect the sentiments of both Jeff Comer and his net metering project partner/neighbor, Jack Goodman.

forth by the Idaho Public Utilities Commission (“Commission”) for meter aggregation in Order No. 32925.

### **I. METER AGGREGATION**

Idaho Power currently offers net metering service to facilitate the transfer of non-firm electricity to the Company from customer-owned generation with the intent of offsetting all or a portion of a customer’s energy usage. Generation facilities under Schedules 6 (Residential) and 8 (Small General Service) must have a total nameplate capacity rating of 25 kilowatts or less. As of August 31, 2019, the Company had 5,200 active and pending net metering systems in its Idaho service area.

In Case No. IPC-E-12-27, the Commission issued Order No. 32846 changing how customers were compensated for excess net energy, effective October 1, 2013. Prior to October 1, 2013, customers received either a financial credit or a payment for their excess net energy. After October 1, 2013, customers received a kilowatt-hour (“kWh”) credit for their net excess energy. In Order No. 32925, the Commission went on to establish conditions under which customers could transfer excess net energy credits from the designated on-site generation meter to offset consumption at one or more separate meters – otherwise known as “meter aggregation”:

1. The customer may only apply the excess net energy credits to accounts held by the customer;
2. The aggregated meters must be located on, or contiguous to, the property on which the designated meter is located. Contiguous property includes property that is separated from the premises of the designated meter by public or railroad rights of way;
3. The designated meter and the aggregated meters must be served by the same primary feeder; and
4. The electricity recorded by the designated meter and any aggregated meters must be for the customer generator’s requirements.<sup>2</sup>

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<sup>2</sup> These criteria were incorporated into Idaho Power’s tariff on pages 3-4 of Schedule 8.

The Commission explained why the location of both meters should be examined and why energy credits should not offset the consumption of another customer. The Commission stated:

The intent of net metering is to allow a customer to offset the customer's usage with self-generation. It would be inconsistent with this intent to allow the customer to apply excess net energy credits to offset another customer's usage. Further, it would be inappropriate to let the customer apply the credits to offset the customer's own usage at another delivery point without considering that delivery point's location. As discussed in prior comments and testimony, even with one delivery point, net metering customers may not pay their full fixed costs given the current rate structure. We find that allowing customers to apply credits to offset usage on contiguous meters that are served by the same primary feeder is a reasonable means by which to limit the potential under-recovery of fixed costs.<sup>3</sup>

Prior to the inception of meter aggregation in 2013,<sup>4</sup> net metering customers received a financial credit/payment for the excess net energy measured in kWh per billing period. For Residential and Small General Service customers, financial credits were calculated by applying the full retail energy rate to the total excess net energy.

## **II. ACCOUNT HISTORY**

### **A. Mr. Comer's Accounts**

Mr. Comer began taking residential service at 4186 N. 1100 E. in Buhl, Idaho on June 3, 1991; the account remains active to date. The Comer residence is denoted with a yellow dot on the map provided as Attachment 1. Mr. Comer subsequently began taking net metering service for a small commercial hydro on-site generation system on May 9, 2006. The designated meter for the on-site generation system is denoted with a green

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<sup>3</sup> Order No. 32925 at 6.

<sup>4</sup> Order No. 32925.

dot in Attachment 1. In his Complaint, Mr. Comer states that he and Jack Goodman are partners in the net metering project<sup>5</sup>; however, the Idaho Power account for the hydro generator is in Mr. Comer's name only.

Prior to the inception of meter aggregation in 2013, Mr. Comer received financial payments for the excess net energy generated by the small commercial hydro on-site generation system. Mr. Comer received [REDACTED] in financial payments during 2013, the last year financial credits were paid to customers for their excess generation. After the switch to kWh credits in 2013, Mr. Comer began to accumulate a large kWh credit balance. In the most recent year, 2018, Mr. Comer was credited for [REDACTED] kWh credits. Because there is no load being served by the generation, Mr. Comer relies on meter aggregation to utilize a portion of his energy credits. The Comer residence consumes roughly [REDACTED] kWh per year, leaving well over 50 percent of kWh credits unused unless they are aggregated with other meters, to offset usage elsewhere.

B. Mr. Goodman's Account

Mr. Goodman began taking residential service at 4148 N. 1100E. in Buhl, Idaho on August 6, 1990; subsequently on July 9, 2014, soon after the financial payments for excess generation were switched to kWh credits, the residential account in Mr. Goodman's name was closed and service was initiated under the name of Jeff P. Comer with Mary J. Comer as the co-applicant. The Goodman residence is roughly 0.33 miles from the Comer residence. As noted in the Complaint filed August 6, 2019: "The meter on Mr. Goodman's property is in Mr. Comer's name."<sup>6</sup>

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<sup>5</sup> Complaint at 1.

<sup>6</sup> *Id.*

C. Mr. Comer's Requests for Meter Aggregation

In years 2015, 2016, 2017, and 2018, Mr. Comer requested to transfer credits from the designated generation meter to two separate meters: (1) the meter at his own residence and (2) the meter at Mr. Goodman's residence. In each of those years, after believing the criteria for meter aggregation had been achieved, Idaho Power approved the transfer of credits to both meters, including the transfer from the designated generation meter to the meter at Mr. Goodman's residence.

The process to review eligibility for meter aggregation is a manual process and in 2015, the Company representative did not consult a map to verify that the properties were contiguous; instead, the representative, in reviewing the addresses for the two meters (4186 N 1100 E and 4148 N 1100 E), mistakenly thought the addresses were the same and therefore contiguous. When reviewing the 2016, 2017, and 2018 requests for transfer, the representative erroneously assumed that because the request was approved previously, the requests did not require further review. The approvals to transfer the credits in each of the years 2015-2018 to the meter at Mr. Goodman's residence was the result of human error.

Starting in 2019, the Company utilized a geographic information system ("GIS")-based tool to confirm contiguous property when evaluating meter aggregation requests. In 2019, Mr. Comer again requested to transfer credits from the designated generation meter to the two separate residential meters. However, upon review, it was determined that the meter at Mr. Goodman's residence (denoted with a blue dot in Attachment 1) was not located on a contiguous property to the designated generation meter (denoted with a green dot in Attachment 1). On February 15, 2019, Idaho Power approved the request to

transfer credits to the meter at Mr. Comer's residence; however, the Company denied Mr. Comer's request to transfer credits to the meter at Mr. Goodman's residence.

### III. IDAHO POWER'S POSITION

#### A. "Contiguous"

Order No. 32925 and the provisions of Schedule 8 permit aggregation of meters for the annual transfer of unused Excess Net Energy when "the meter is located on, or contiguous to, the property on which the Designated Meter is located. For purposes of this tariff, contiguous property includes property that is separated from the premises of the designated meter by public or railroad rights of way."<sup>7</sup>

The Company determines "contiguous property" under Order No. 32925 based on a combination of (a) the Company's GIS facility location maps, and (b) the official county assessor's parcel map. As depicted in Attachment 1, the Company overlays these two maps in electronic format and determines on which parcels of land the Company's meter facilities are located. If the designated generation meter and the meter requested for transfer are located on the same property or contiguous properties, per the county assessor's map, Idaho Power approves the meter aggregation request (assuming all other requirements for meter aggregation are met). If the designated generation meter and the meter requested for transfer are located on non-contiguous properties, per the county assessor's map, meter aggregation is not allowed. The Company believes this evaluation of contiguous is reasonable, as the information relied upon is the most publicly available, readily accessible resource to assist with the contiguous properties determination.

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<sup>7</sup> Schedule 8, page 3.

Using this method to determine contiguous property, Idaho Power approved Mr. Comer's 2019 request to transfer credits from the generation meter (green dot on Attachment 1) to the residential meter on Mr. Comer's property (yellow dot on Attachment 1); however, Idaho Power denied Mr. Comer's 2019 request to transfer credits from the generation meter (green dot on Attachment 1) to the residential meter located on Mr. Goodman's property (blue dot on Attachment 1).

While it had not considered the sale of Mr. Goodman's property to Mr. Comer (referenced on page 1 of the Complaint) in its determination of contiguous properties, the Company does not believe this fact changes the outcome of the determination. Because the property on which the designated generation meter is located continues to be non-contiguous to the property where the meter on Mr. Goodman's property is located, the criteria is not met.

B. "Property" versus "Parcel"

Mr. Comer states that "IPC has replaced the word 'property' with the word 'parcel'" in his Complaint.<sup>8</sup> In its effort to administer the tariff requirements for meter aggregation, Idaho Power views property and parcel as synonyms and believes this is reasonable for administering the evaluation of meter aggregation requests.

From a real estate standpoint, a "parcel" is the basic unit of land ownership in Idaho and other states. Parcels are created by a formal property deed conveying the parcel to the landowner, including a definitive legal description of the parcel. The deed is recorded in the county land records, and the parcel is assigned a unique parcel number by the county assessor and placed on the county assessor's map.

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<sup>8</sup> Comer Complaint at 2.



Idaho Power interprets the reference to “property” in Schedule 8 to be the “parcel” of land on which the meter is located. The subject parcel can be reliably and efficiently identified by Idaho Power through use of the county assessor’s map and Idaho Power’s GIS facility location maps, as discussed above. Conversely, Mr. Comer’s broader definition of “property” raises other issues that would need to be resolved. For instance, what parcels of land would be included in the larger “property” definition suggested by Mr. Comer – only those parcels held in the customer’s name, or would parcels held in different names or co-owned with other individuals or held under corporate ownership be included in the larger “property” definition? If so, Idaho Power could be required to perform an in-depth title ownership search to determine what parcels should be included or excluded in the larger “property” envisioned by Mr. Comer, particularly since the county assessor’s map may not show the full ownership of any given parcel.

While the meter aggregation provisions in Idaho Power’s tariffs use the word “property,” the Commission recently approved nearly identical meter aggregation provisions for Rocky Mountain Power using the word “parcel:”

For the purposes of Schedule 135, parcels shall be considered contiguous if they share a common boundary or corner, and includes parcels that would otherwise be considered contiguous but are divided by a public right of way.

The Commission noted that “allowing transfer of excess net energy credits between meters on *contiguous property*, as recommended by Staff to include *parcels* separated by a public right of way, aligns meter aggregation under Schedule No. 135

closely with Idaho Power's Schedule No. 84.”<sup>9</sup> For purposes of meter aggregation tariff provisions, the Complainants’ argument draws a distinction without a difference.

C. The Intent of Net Metering Service

Net metering service is offered by the Company to provide for the transfer of electricity to the Company from customer-owned generation facilities with the intent of offsetting all or a portion of a customer’s own energy usage. Idaho Power does not believe it was the Commission’s intent in Order No. 32925 to allow customers to offset a non-contiguous neighbor’s consumption.

The Company expressed its concern in Case No. IPC-E-12-27 that meter aggregation exacerbates the potential under-recovery of fixed costs from net metering customers<sup>10</sup> and believes that, at a minimum, meter aggregation should be limited to meters located on contiguous property to reasonably limit the potential for increasing the magnitude of the under-recovery of fixed costs. When the Commission approved meter aggregation in Order No. 32925, it discussed the potential for cost shift. The Commission stated:

[E]ven with one delivery point, net metering customers may not pay their full fixed costs given the current rate structure. We find that allowing customers to apply credits to offset usage on contiguous meters that are served by the same primary feeder is a reasonable means by which to limit the potential under-recovery of fixed costs.

If a customer wishes to offset the energy needs of persons other than himself, or to make financial gain from the on-site generation system, Net Metering service is not the

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<sup>9</sup> *In the Matter of the Application of Rocky Mountain Power for Authority to Modify Schedule No. 135 – Net Metering Service*, Case No. PAC-E-19-03, Order No. 34370 at 4 (July 3, 2019) (emphasis added).

<sup>10</sup> Idaho Power Comments in Response to Order No. 32880, p.p. 2-3.

appropriate service offering; Schedule 86, Cogeneration and Small Power Production non-firm Energy, is a more appropriate tariff schedule for which to serve the needs of such customer.

D. Meter Aggregation Administration Challenges

Idaho Power believes it has followed the letter and spirit of the Commission's Order with its application of the eligibility criteria for meter aggregation by using the county assessor's parcel designations to determine the properties and contiguous properties on which customer meters are located. However, based on its five years of experience with meter aggregation, Idaho Power admits that three of the four<sup>11</sup> tariff provisions reflecting the provisions of Order No. 32925 have proven difficult to administer:

1. The customer may only apply the excess net energy credits to accounts held by the customer.

Challenge: For transfers that include commercial property (Schedules 7, 9, 19, and 24), the customer name may not be associated with the company name. No method currently exists in the public domain to readily verify common ownership, particularly regarding limited liability organizations.

2. The aggregated meters must be located on, or contiguous to, the property on which the designated meter is located. Contiguous property includes property that is separated from the premises of the designated meter by public or railroad rights of way;

Challenge: Verifying contiguous property requires GIS mapping technology and county data sources that must be reevaluated and updated annually.

3. The electricity recorded by the designated meter and any aggregated meters must be for the customer generator's requirements.

Challenge: While Idaho Power can readily ascertain the customer of record, it cannot usually substantiate with certainty when indications exist that customers are assuming responsibility for their neighbor's service to offset

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<sup>11</sup> The provision that requires designated meter and the aggregated meter must be served by the same primary feeder does not present administrative challenges.

their neighbor's consumption and that the electricity recorded by the aggregated meters is for the customer generator's requirements.<sup>12</sup>

As evidenced by these facts, meter aggregation is a labor-intensive, manual process that is prone to human error. As net metering service grows and requests for meter aggregation increase, there may be a need to revisit the meter aggregation tariff provisions to increase transparency, clarify administration, and ensure consistency with the Commission's net metering policy.

### **III. COMMUNICATIONS AND SERVICE OF PLEADINGS**

Service of pleadings and communications with reference to this case should be sent to the following:

Lisa D. Nordstrom  
Idaho Power Company  
1221 West Idaho Street (83702)  
P.O. Box 70  
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[lnordstrom@idahopower.com](mailto:lnordstrom@idahopower.com)  
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Kristy Patteson  
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P.O. Box 70  
Boise, Idaho 83707  
[kpatteson@idahopower.com](mailto:kpatteson@idahopower.com)

### **IV. CONCLUSION**

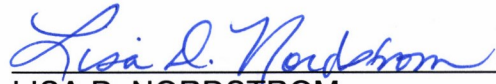
Idaho Power believes it has followed the letter and spirit of the Commission's Order No. 32925 with its application of the eligibility criteria as to contiguous property in this instance. While it had approved Mr. Comer's requests in 2015-2018 to transfer unused kWh credits to a non-contiguous property, Idaho Power had done so in error. In its 2019 evaluation, Idaho Power relied on an improved process to evaluate the contiguous property criteria and determined that Mr. Comer's request to transfer excess kWh credits to the meter located on Mr. Goodman's property did not meet the criteria in Schedule 8.

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<sup>12</sup> The Complainants' admission to putting the meter on Mr. Goodman's property in Mr. Comer's name "and therefore qualify for aggregation privileges" is the exception.

Idaho Power requests that the Complainant's appeal for aggregation with the meter on Mr. Goodman's property be denied.

Dated at Boise, Idaho, this 1st day of October 2019.



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LISA D. NORDSTROM  
Attorney for Idaho Power Company

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 1<sup>st</sup> day of October 2019 I served a true and correct copy of the within and foregoing IDAHO POWER COMPANY'S **REDACTED ANSWER** upon the following named parties by the method indicated below, and addressed to the following:


**Commission Staff**

Edward Jewell  
Deputy Attorney General  
Idaho Public Utilities Commission  
11331 W. Chinden Boulevard  
Building 8, Suite 201-A  
Boise, ID 83714

Hand Delivered  
 U.S. Mail  
 Overnight Mail  
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 Email [Edward.jewell@puc.idaho.gov](mailto:Edward.jewell@puc.idaho.gov)

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 Email [comerwelding@icloud.com](mailto:comerwelding@icloud.com)

  
\_\_\_\_\_  
Kimberly Towell, Executive Assistant

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION**

**CASE NO. IPC-E-19-28**

**IDAHO POWER COMPANY**

**ATTACHMENT 1**

Jeffrey P. Comer

Jeffrey P. Comer

Comer Residence

Designated Generation Meter

Jeffrey P. Comer

Jeffrey P. Comer

Jeffrey P. Comer

Jeffrey P. Comer

N-1100E

Jack G. Goodman

Jack G. Goodman

Jack G. Goodman

Goodman Residence

