

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
LEGAL
WORKING FILE**

FROM: CURTIS THADEN

DATE: AUGUST 23, 2019

**SUBJECT: FORMAL COMPLAINT OF JEFF COMER AGAINST IDAHO POWER
COMPANY: CASE NO. IPC-E-19-28.**

On August 6, 2019, Jeff Comer, a customer of Idaho Power Company (“Idaho Power” or “Company”) filed a formal complaint against the Company alleging it improperly denied the transfer of excess net energy credits between meters in Mr. Comer’s name. *See* Attachment A. Mr. Comer filed his complaint after becoming unsatisfied with the outcome of informal proceedings.

BACKGROUND

Mr. Comer and Jack Goodman are partners in a net-metered small hydroelectric facility in Twin Falls County that has been in operation since 2006. Mr. Comer and Mr. Goodman own contiguous properties. The meter on Mr. Goodman’s property is in Mr. Comer’s name, and Mr. Comer and Mr. Goodman had previously been allowed to aggregate the demand on the meters to offset the production of the hydroelectric facility. On February 15, 2019, the Company denied Mr. Comer’s request to transfer excess net energy credits to the meter on Mr. Goodman’s property, which is about 1,200 feet from the next closest meter on Mr. Comer’s property. Mr. Comer alleges the Company replaced the word “property” with a more restrictive word “parcel” when determining whether meter aggregation was appropriate. Mr. Comer asserts that the Company’s use of the term “parcel” instead of “property” violates the aggregation criteria found in the applicable Company Tariff.


STAFF RECOMMEDATIONS

Staff recommends the Commission issue a Summons to Idaho Power, and direct the Company to respond to the complaint within twenty-one days.

COMMISSION DECISION

Does the Commission wish to:

- (1) Issue a Summons to Idaho Power giving the Company twenty-one days to respond after the service date of the Summons?
- (2) Allow replies within fourteen days of the response deadline?


Curtis Thaden

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Beverly Barker
Idaho Public Utility Commission
Compliance division

RECEIVED

7/30/2019

2019 AUG -6 AM 11:50

Reference: Formal complaint
Rate schedule 6

IDAHO PUBLIC
UTILITIES COMMISSION

Aggregation of meters for a net metering project owned by Jeff Comer and Jack Goodman.

Good afternoon Ms. Barker,

We are sending this communication to file a formal complaint asking your assistance to settle a dispute with Idaho Power Company (IPC). We have had multiple conversations with (IPC) staff but this matter has not been settled to our satisfaction.

Jeff Comer and Jack Goodman, are partners in a net metering project in Twin Falls County. This project has been on-line since 2006. Mr. Comer and Mr. Goodman own contiguous properties in Twin Falls County. This fact has been affirmed by our own engineer, the Twin Falls County assessor's office and the Twin Falls County Planning and Zoning Department. (Please see attached property descriptions).

At the time of the IPC denial of aggregation (Feb 15, 2019) Mr. Comer owned property as described by the following Twin Falls County assessor's office parcel number designations: RP09S14E333010, RP09S14E333610, RP09S14E333600, RP09S14E333621, RP09S14E333625. This property abuts Mr. Goodman's property. At the time of the IPC denial the property was made up of land described by the following Twin Falls County assessor's office parcel number designations: RP09S14E333641, RP09S14E333629, and RP09S14E3335400.

Since that time Mr. Comer has purchased two of Mr. Goodman's parcels. At this present time Mr. Comer's property includes Twin falls County parcel numbers RP09S14E333010, RP09S14E333610, RP09S14E333600, RP09S14E333621, RP09S14E333625, RP09S14E333641, and RP09S14E333629. Mr. Goodman owns parcel number RP09S14E3335400. (Please see attached map with properties outlined in black.)

Mr. Comer and Mr. Goodman have shared the energy credits for the power generated by their power plant for the last several years. The meter on Mr. Goodman's property is in Mr. Comer's name and therefore qualifies for aggregation privileges. They are in compliance with all of the terms and conditions that permit them to share the unused excess net energy credits in accordance with IPUC Schedule 6. They have applied annually for the transfer of those credits on the schedule required by Idaho Power and approved by the Idaho Public Utility Commission on May 21, 2018 per O.N. 34046.

Idaho Power on February 15, 2019 (please see attached letter from IPC) reversed their previous practice of allowing aggregation and denied their request to share the unused excess net energy credits. IPC employees now state that the properties owned by Mr. Comer and Mr. Goodman are not contiguous, and yet they are.

The IPC denial was sent to Mr. Comer on February 15, 2019. The IPC representative (Ms. Patti Best) sent an e-mail that states in part, "The transfer request from meter 36365734 to meter 10884841 does not meet the contiguous property requirement. According to our maps, the meters are not on contiguous *parcels*. There are several *parcels* in between the two meters (see map below). I am checking with our regulatory department and will circle back with you next week." (Italics added)

Further investigation and communication with IPC revealed, by their own admission, that the IPC has replaced terminology approved by the IPUC and substituted terminology of their own. We believe that IPC has exceeded their authority in doing so and ask that the IPUC advise IPC to reverse their current action and allow aggregation of the meters in the manner as delineated in schedule 6.

Specifically IPC has replaced the word "property" with the word "parcel." This substitution of terms would be harmless except for the fact that IPC is now using a more restrictive definition of the word "parcel" in place of the more general term "property", in an effort to disallow aggregation of meter credits. We do not believe this was the IPUC intent when they approved the order on February 15, 2019.

Our position is supported by the following:

1. The IPUC has consistently held, over IPC objections, that aggregation of meters is appropriate. Primary factors in all past deliberations appears to be that if the meters are in near proximity and held in the same name as the owner of the net metering project, then there is minimal or no added expense to the IPC and should therefore be allowed. Mr. Comer has three meters on this account and the disallowed meter is only about 1200 feet from the closest alternate meter.
2. The IPUC has consistently held the properties will be considered to be contiguous even in the event where a property is separated in to two separate parcels by a roadway or railway. It would seem inconsistent then for them to hold that a property separated in to parcels for county taxing or zoning reasons would then not also be considered a property.
3. By common definition the word "property" when used in description of real estate includes the acreage and improvements on land owned by an individual. The word "parcel" in this case is a term used by the County assessor's office and the Planning and Zoning Commission to describe a portion of the property for tax assessment purposes and for compliance with zoning ordinances.

4. Order 34046 specifically uses the term "property" and nowhere does it use the word "parcel". Nowhere in the order or the transcripts of the hearings leading up to the order is it mentioned that the definition of the word "property" may be more narrowly defined by the utility by using the county taxing authority or Planning and Zoning term "parcel". The two terms in this instance are not interchangeable as the definitions are not identical. IPC has co-opted the more restrictive definition of the word parcel and as such rationalizes its decision to refuse aggregation of this previously aggregated meter.
5. If it was the intent of the PUC to use the more restrictive county designated term "parcel" and not the general term "property" then it would seem appropriate that somewhere in the record we could find a discussion about the varied zoning laws that pertain to each of the 44 counties within the state of Idaho. Each county has specific zoning laws that determine the size, location and other specific characteristics that define a parcel within each of those counties.
6. Utility companies have put forth the argument that there are expenses for the transport of the minute amount of energy produced by net generators. The same companies fail to add that the capital costs of the installation of the IPC transformers and the power line improvements were borne by the owners of the net metering project and not the utility company. Additionally the utility companies fail to add that the excess energy on the line (when present) adds to stability on these remote sections of the distribution system. As such the benefits may outweigh the negligible expense that they may incur.
7. IPC is well aware that by changing the verbiage in the current IPUC order to one of their choosing that the owners of the net metering project will continue to build credits, put saleable power on the line and never be able to use those credits under their current configuration.
8. Utility companies have also promoted the argument that net metering projects should be properly sized so as not to put excess energy on the system. In this case the net metering project is a very small hydroelectric facility. The plant was designed and constructed using scaled down industrial grade equipment of the highest quality. This power plant's automation control and protection scheme meets or exceeds the design used at even the most modern IPC hydroelectric plants. The peak capacity of 22 kilo-watts is only reached during the irrigation season which is a high energy demand season. This plant was properly sized based on the resource it was designed to utilize. It was set up from the outset as a net metering project with the full consent and support of the IPC. It would be environmentally irresponsible to build a hydro electric plant without fully developing the resource available. The size of this plant is considered to be appropriate by IPC for a net metering project.

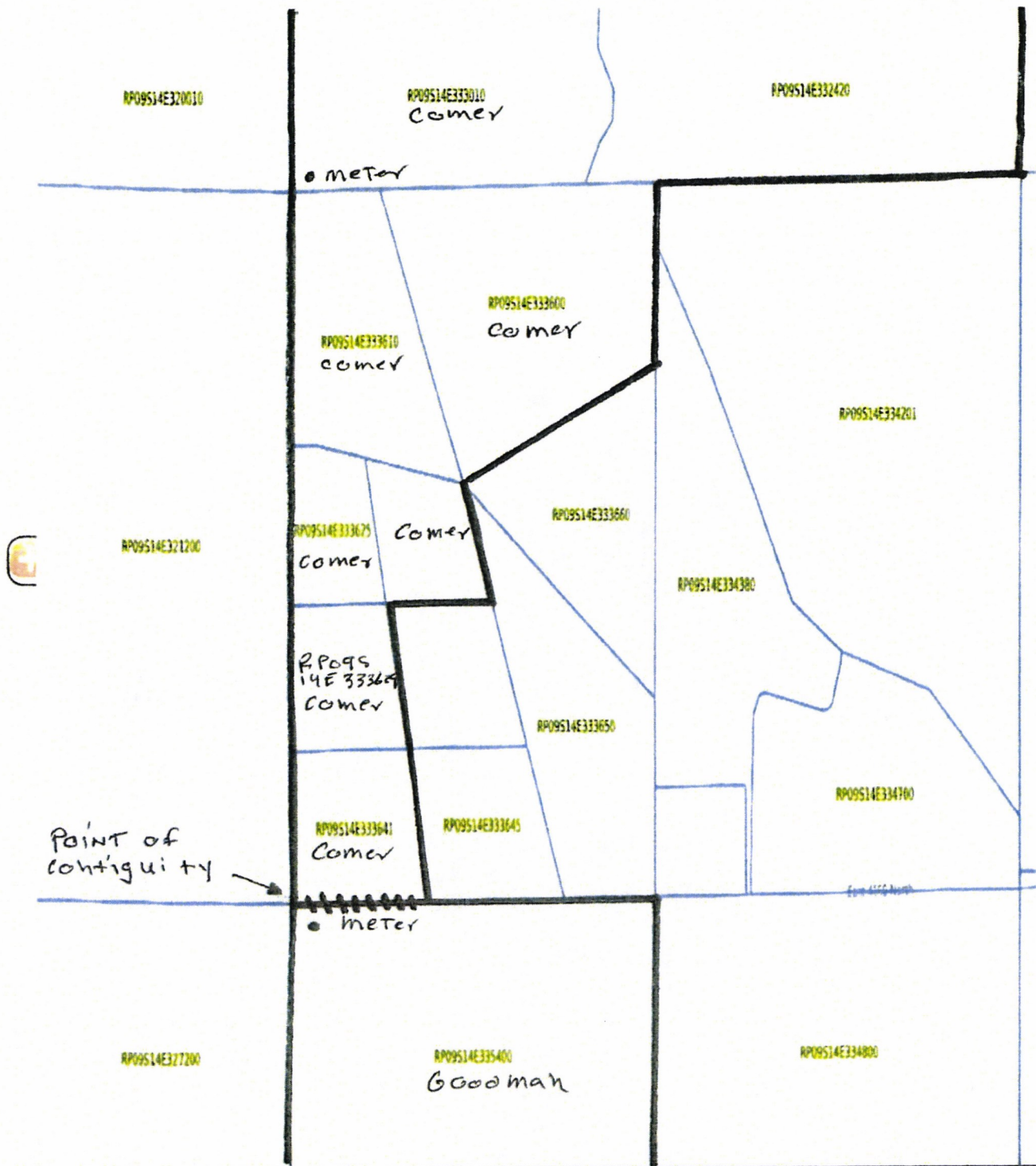
9. Utility companies also argue that in the case of solar or wind power that the cycling of flows of power both coming and going is erratic and thus a burden on their grid. This hydro-electric power plant runs twenty-four hours a day 365 days a year. The flow of power is very predictable and is not erratic. The project runs at all times except during Idaho Power outages or scheduled maintenance. On this part of the distribution system it is a valuable resource to help stabilize the grid.
10. There is an obvious economic advantage that IPC seeks in replacing the IPUC approved word "property" for the IPC preferred term, "parcel." This new interpretation of the policy is economically damaging to the net meter owners.

It is safe to assume that the IPUC Commission knows the difference between the words parcel and property. If the IPUC Commission had desired to use the more restrictive word, "parcel" in the place of the more general term, "property" than they would have done that. Surely the IPUC is aware that a property can be comprised of many parcels yet still remains a property.

We respectfully request that the IPUC conduct a review of this new Idaho Power Company procedure or policy. We further request that the IPUC instruct IPC to reverse their denial of the transfer of unused credits.

Sincerely,


Jeff Conner



WELCOME TO THE MAPPING SYSTEM. HELP DOC IS LOCATED AT TOP RIGHT, DID YOU KNOW THAT Y
 3.2.2-for_Idaho X,Y -12782763.7, 5252041.4 USNG 11T PH 7804 1923 Lat,Lon

<http://idahoparcels.us:8080/gm3/desktop/twinfalls.html>

7/31/2019

Tom

From: Jeff Comer [comerwelding@icloud.com]
Sent: Wednesday, March 06, 2019 2:02 PM
To: mayor@cityofbuhl.us
Subject: Fwd: Excess Generation Transfer Request

Sent from my iPad

Begin forwarded message:

From: "Best, Patti" <PBest@idahopower.com>
Date: February 15, 2019 at 3:18:12 PM MST
To: "comerwelding@icloud.com" <comerwelding@icloud.com>
Cc: "Best, Patti" <PBest@idahopower.com>
Subject: Excess Generation Transfer Request

Hi Jeff,

Per our conversation, Idaho Power received 2 requests for transfer. The transfer request from meter 36365734 to meter 10884891 is approved.

The transfer request from meter 36365734 to meter 10884841 does not meet the contiguous property requirement. According to our maps, the meters are not on adjacent parcels. There are several parcels in between the two meters (see map below). I am double checking with our regulatory department and will circle back with you next week.

I will be back in the office Tuesday if you have any questions.

Sincerely,
Patti Best
Idaho Power

3/9/2019

Attachment No. A
Case No. IPC-E-19-28
Decision Memorandum
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