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IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for the Idaho Conservation League

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO)	CASE NO. IPC-E-20-26
POWER COMPANY'S)	
APPLICATION FOR AUTHORITY)	IDAHO CONSERVATION LEAGUE
TO MODIFY SCHEDULE 84'S)	
METERING REQUIREMENT AND)	COMMENTS
TO GRANDFATHER EXISTING)	
CUSTOMERS WITH TWO)	
METERS)	

The Idaho Conservation League (ICL) submits the following comments regarding Idaho Power's request to modify Schedule 84. We appreciate Idaho Power's attempt to reduce the cost and complexity of future customer-owned solar installations for larger customers by proposing a single meter option. However, we are concerned the details of the Company's proposal could harm both current and future solar-owners without providing any meaningful benefit to other customers. As the Commission heard during the October 13th hearing and as reflected in the public comments filed in this case, large customers, and particularly irrigation customers, use customer-owned solar systems to mitigate volatile energy bills, which is often the largest expense a southern Idaho farmer must address. And, while customer-owned solar continues to grow, it remains a de minimis part of the overall system in terms of both resource capacity and Company revenues. The Commission's decision here will have an outsized impact on customer-owned solar and an exceedingly small impact on all other Idaho Power customers. Our recommendations below will improve Idaho Power's proposal so that the Commission can approve a fair, just, and reasonable modification to Schedule 84.

Customers should be able to choose between a single or dual meter option.

Idaho Power's proposal appears to require that all future customer-owned solar systems use a single meter to measure consumption and production. ICL appreciates Idaho Power's willingness to adopt a single meter option. We are concerned, though, that mandating a single meter system design removes the dual meter option that some solar-owners may elect to pursue because it would better serve their needs. Further, if Schedule 84 mandates that all customer-owned systems use a single meter, current solar-owners with dual meters will be out of compliance when the grandfathering period expires since their system will not conform to the tariff. To preserve customer options that have no impact on non-solar owners and to avoid confusion when the legacy rate period ends for current solar owners, ICL recommends the Commission order Idaho Power to modify Schedule 84 to allow solar-owners to elect either a single meter or dual meter option.

The Commission should apply the same legacy rate treatment structure currently applicable to Idaho Power's Residential and Small Commercial customers, as well as all Rocky Mountain Power customers.

How to fairly treat existing solar-owners by allowing them to remain on the legacy¹ Schedule 84 is the most important issue in this case. This Commission has adopted a fair, just, and reasonable legacy rate treatment structure for Idaho Power's Residential and Small Commercial customers, in Order 34509 as modified by Order 34546, as well as for all Rocky Mountain Power solar-owners in Orders 34752 and 34798. This structure has two key components: (A) the effective date to distinguish between current and new solar-owners, and (B) the criteria by which a current solar-owner can remain in the legacy net metering program. Idaho Power's proposal deviates in critical ways from the structure described in prior Commission orders. Because Idaho Power's reasons for the deviations are not persuasive as a policy matter, nor based on competent evidence, the Commission should reject these deviations.

¹ The term "grandfathering" has a troublesome history tied to preventing voting access for non-white Americans. ICL uses the term "legacy" instead to distinguish between the existing Schedule 84 and any successor program.

ICL recommends the Commission adopt an effective date that coincides with the approval of a successor net metering program.

Idaho Power recommends an effective date of December 1, 2020, or another date the Commission chooses. *IPC Application at 1*. ICL recommends the Commission reject Idaho Power's arbitrary December 1 date and accept the Company's commitment to abide by the date chosen by the Commission. ICL recognizes the Commission in prior orders established an effective date for legacy rate treatment for Residential and Small Commercial customers that coincides with the service date of those orders. However, the Commission also specifically declined to address the appropriate effective date for Idaho Power's modifications to Schedule 84 that apply to Large Commercial, Industrial, and Irrigation customers. *Order 34546 at 12*. For the reasons stated below, ICL recommends the Commission adopt an effective date that coincides with the approval of a successor net metering program with clearly established interconnection requirements, system design parameters, and rate structures.

As Idaho Power states in regards to all net metering issues, a primary goal for the utility is to slow the growth of customer-owned solar. Closing the current net metering program before approving a successor program creates instability in the market for customer-owned solar, to the detriment of Idahoans and benefit of Idaho Power. This outcome is not fair, just, or reasonable. Creating market instability discourages customers who are considering investing their own money to offset their own energy consumption, leaving customers with no option but to purchase from the monopoly, Idaho Power. ICL recommends the Commission not further chill private investment in Idaho's clean energy and commercial, industrial, and irrigation electricity user sectors.

Slowing growth in customer-owned solar will have no meaningful impact to Idaho Power's existing customers or to the electric system. The Company's most recent IRP states that current net metering customers account for just one half of one percent of all retail customers.² Figure 1 below shows that in terms of capacity, customer-owned solar is a small fraction of total load attributable to the Commercial, Industrial and Irrigation classes. In terms of impact to

² IPC Second Amended 2019 IRP Appendix A at 33.

overall system capacity, Figure 2 below shows that, as of May 31, 2020, Schedule 84 generation accounts for less than 0.6% of Idaho Power’s total nameplate generation.³

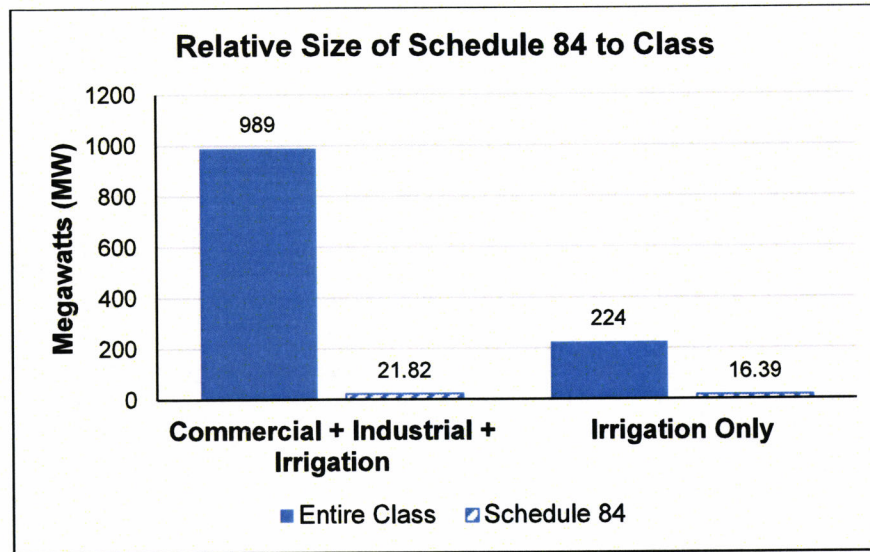


Figure 1. Comparing the load of the Commercial, Industrial, and Irrigation classes as a whole and the Irrigation class alone with the Schedule 84 total and irrigation only capacity (MW) for 2020.

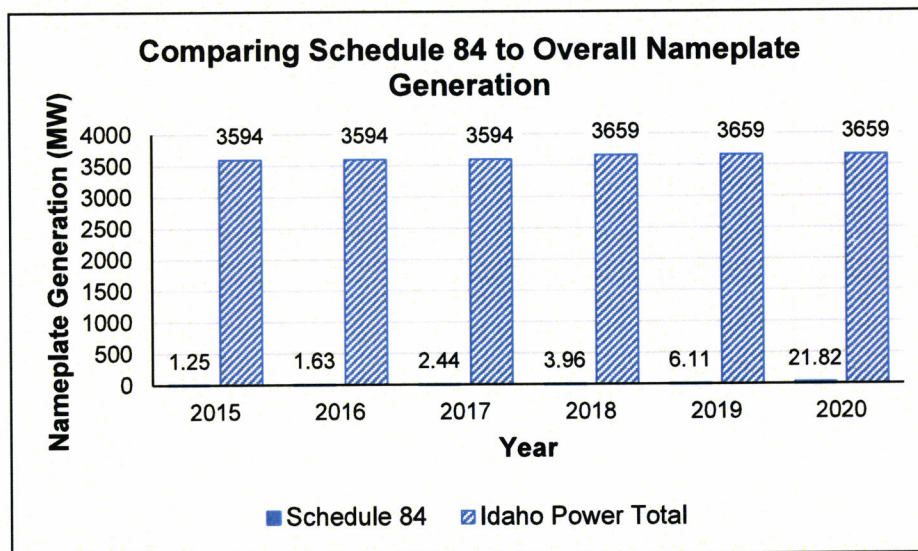


Figure 2. Comparing the reported capacity of Schedule 84 customers to the overall Idaho Power nameplate capacity in MW.

³ IPC Second Amended 2019 IRP page 38, Table 3.1 states the 2018 total nameplate generation is 3659 MW. Aschenbrenner testimony, page 11, states there is a total of 21.82 MW of Schedule 84 nameplate generation as of May 31, 2020.

While these facts show that customer-owned solar is exceedingly small, both in relation to the total number of customers and capacity of Idaho Power's electric system, Idaho Power continues to allege an unfair cost shift to other customers. *Aschenbrenner at 16-17*. Despite Idaho Power's repeated allegations, this Commission has never concluded that customer-owned solar under the current net metering program causes an unfair cost shift to other customers. In 2013, when Idaho Power alleged cost shifting and sought changes to net metering compensation, the Commission rejected this claim and found this issue "should not be examined in isolation but should be fully vetted in a general rate proceeding." *Order 32846 at 13*. When Idaho Power ignored this order and again sought changes to the net metering program outside of a general rate case in 2017, the Commission again found the analysis of cost shifting incomplete. *Order 34046 at 17*. In ordering a full, transparent study of the issues, the Commission also found that while solar-owners may pay less fixed costs than other customers, the net metering construct "also prevents them from realizing presently unquantified benefits to the grid." *Id.*

Now, more than six years later, Idaho Power has yet to conduct a full study of customer-owned solar costs and benefits before making program changes. Instead, Idaho Power, in case IPC-E-19-15, claimed near-emergency conditions related to net metering growth in Schedule 84 and requested the Commission should retroactively suspend the program as of April 5, 2019.⁴ The Commission denied that request because Idaho Power did not provide a factual basis to support such an extreme request. *Order 34315*. Almost a year later, Idaho Power withdrew from that docket on March 17, 2020, instead of continuing to pursue the issue. That withdrawal came on the heels of the Commission rejecting a settlement regarding the value of customer-owned solar because of a lack of supporting evidence. *Order 34509*. Then, Idaho Power waited several more months to file the present case, did not claim any emergency status, and deferred to the Commission's determination of the appropriate effective date. *IPC Application*. Most tellingly, Idaho Power now claims that moving to a single meter requirement is necessary to facilitate the customer-owned solar cost and benefit study. *Aschenbrenner at 15*. But Idaho Power does not explain why the current dual meter data that measures both consumption and generation inhibits their ability to follow the Commission's prior orders. This years-long pattern of delay and unsubstantiated claims establishes that Idaho Power is primarily interested in chilling the market

⁴ See Idaho Power Application in IPC-E-19-15.

for customer-owned solar instead of conducting a full analysis of customer-owned solar costs and benefits.

The only reason Idaho Power provides for the Commission to make a decision now on the effective date of any legacy rate treatment is to provide notice to current and potential solar-owners about who would be subject to program changes. *Aschenbrenner at 19*. That reasoning does not dictate any specific date. The Commission can clearly notify Idahoans about who is subject to program changes now by stating that current solar-owners will remain on the legacy Schedule 84, that future solar-owners will be subject to a revised Schedule 84, and most importantly, providing a specific timeline for stakeholders to collaborate on a successor net metering program. Of course, Idaho Power will allege this will create a rush of applications in the interim, but this will only be an assertion of a possibility, not a fact. As the Commission has repeatedly ruled, a complete and transparent study of the value of customer-owned solar could show that exports are more valuable than the retail rates and thus make the successor program more attractive than the current program.

These facts show the total size of customer-owned solar, both in relation to the number of customers and Idaho Power's electric system, is exceedingly small. At the same time, establishing a legacy rate effective date before approving a successor program chills the market for private investment in self-generation systems. Meanwhile, the Company has not completed the fair and transparent analysis that is the foundation of establishing a fair, just, and reasonable customer owned solar program for the future. Establishing an effective date for legacy rate treatment that coincides with the approval of a new program will provide a direct incentive for Idaho Power to follow this Commission's prior orders to complete this study. And the Commission can still clearly distinguish between current and future solar-owners by adopting an effective date that coincides with approving a successor net metering program. Therefore, the Commission has ample basis to find that it is fair, just, and reasonable to maintain the current Schedule 84 while the Company and stakeholders conduct the full, transparent analysis of customer-owned solar that this Commission has ordered since 2013.

For the reasons stated above, ICL recommends the Commission adopt the following definition of an existing customer for purposes of remaining on the legacy Schedule 84:

1. Any person or business with an interconnected, on-site generation system as of the service date of an order approving a successor net metering program; or
2. Any person or business who has applied to the Company for interconnection of an on-site generation system as of the service date of an order adopting a successor net metering program and who successfully interconnects their system within one year of the date of their application. *See Orders 34509, 34546, 34752 and 34798.*

ICL Recommends the Commission Adopt the Same Legacy Rate Treatment Criteria Outlined in Orders 34509, 34546, 34752 and 34798.

The Idaho Commission has previously adopted a fair, just, and reasonable set of criteria for customers to remain on the legacy net metering programs at Idaho Power and Rocky Mountain Power. *See Orders 34509, 34546, 34752 and 34798.* Previously, when Idaho Power requested to modify Schedule 84 in IPC-E-19-15, the Commission rejected Idaho Power's efforts and stated they "expect consistent application of principles across the dockets." *Order 34335 at 1.* The other docket the Commission referred to was IPC-E-18-15, where the Commission found the following criteria to be a fair, just, and reasonable balancing of the interest to protect solar-owner's reasonable expectations for program stability with the interests of other customers:

1. a customer who moves into a property with a legacy on-site generation system will "inherit" the legacy status of the system,
2. if a system is offline for longer than six months, or is moved to another site, the legacy system is forfeited,
3. to allow for the replacement of degraded or broken panels, the customer may increase the capacity of the legacy system by no more than 10 percent of the originally installed nameplate capacity or 1 kW, whichever is greater, and
4. legacy status terminates 25 years following the Commission Order resolving this matter. *See Order 34546 at 9.*

Idaho Power's proposal here diverges from these prior orders in three key ways without providing any evidence or legitimate policy reasons to support this divergence. Most importantly, Idaho Power seeks to limit the legacy rate access to only ten years, rather than the

25 years the Commission has repeatedly found to be fair. The Commission should reject Idaho Power's unfounded request and extend equal treatment to all solar-owners.

Following the Commission's adoption of the legacy rate treatment criteria outlined above for Idaho Power's residential and small commercial customers, Rocky Mountain Power proposed to provide legacy rate treatment for just ten years. The Commission correctly rejected this proposal and found,

"it is fair, just, reasonable, nondiscriminatory, and in the public interest to grandfather existing Rocky Mountain Power customer generators on the same terms the Commission granted existing Idaho Power customer-generators in IPC-E-18-15. There has been no showing of how Rocky Mountain Power customer-generators are differently situated than Idaho Power customers in their reasonable expectations of fundamental program stability. The Commission has consistently tried to align the net metering programs between Idaho utilities to the extent reasonable. See Order No. 29260 at 6." *Order 34752 at 7; Order 34798 (adopting 34752 as final)*.

Similarly, Idaho Power has not provided any evidence that Commercial, Industrial, and Irrigation customers are differently situated from Residential and Small Commercial customers in their reasonable expectations of program stability. The only reason Idaho Power provides is "the Company believes it is reasonable to expect CI&I customers, to a greater extent than R&SGS customers, understood that fundamentals associated with the net metering service offering would be subject to change." *Aschenbrenner at 22*. A mere "belief" in the ability of some customers to have a better understanding than other customers is not sufficient to carry Idaho Power's burden of proof. This statement shows a lack of respect for Residential and Small Commercial customers to understand issues and ignores the range of engagement in utility issues across the remaining customer classes. Further, adopting a different legacy rate period for a subset of Idaho Power customers would create confusion for everyone with no meaningful benefit. Idaho Power customers with a solar system on their home and another on their business or farm would face different rules because of Idaho Power's "beliefs." And in areas where Idaho Power's service territory intersects with Rocky Mountain Power's, customers would face different rules for no apparent reason. Because Idaho Power has not provided any legitimate

reason to apply a different policy, ICL recommends the Commission allow existing solar-owners to remain on the legacy net metering program for 25 years.

Idaho Power also proposes a new criterion - that solar-owners who elect to transition from a dual meter to single meter forfeit their access to the legacy program. *Aschenbrenner at 21*. Idaho Power provides no reasoning and no evidence for this criterion. Because Idaho Power has not carried their burden of proof and cannot cure this defect on reply by providing wholly new evidence, the Commission should reject this unsupported request. A solar-owner who elects to transition to a single meter is responsible for all costs on their side of these meters, so allowing a customer to make this decision does not impact others and does not change their reasonable expectations of stability.

Finally, Idaho Power proposes to insert an unnecessary date that would limit a customer's ability to maintain their system during the legacy rate period. Idaho Power refers to a May 1, 2020 change to the measurement of system size to be based on inverters instead of panels. *Aschenbrenner at 21*. Whether system size is measured in reference to inverters or panels does not change the issue that sometimes system components fail and solar-owners should be allowed to maintain their current system without losing access to the legacy program. Instead of adding unnecessary confusion, ICL recommends the Commission adopt the same criteria as applicable for all other customers.

To summarize and reiterate, ICL recommends the Commission adopt the legacy rate access criteria adopted for all other solar-owners:

1. a customer who moves into a property with a legacy on-site generation system will "inherit" the legacy status of the system,
2. if a system is offline for longer than six months, or is moved to another site, the legacy system is forfeited,
3. to allow for the replacement of degraded or broken panels, the customer may increase the capacity of the legacy system by no more than 10 percent of the originally installed nameplate capacity or 1 kW, whichever is greater, and
4. legacy status terminates 25 years following the Commission Order resolving this matter. *See Order 34546 at 9*.

Conclusion

Due to the monopoly construct, Idaho Power customers have a single option to exercise the “freedom to offset usage behind the meter” this Commission recognized in Order 34147. As the Commission heard in the public hearing in the case and as stated in the public comments thus far, the customer-owned generation program detailed in Schedule 84 is an important option for customers to control their own energy bills. Idaho Power already limits this freedom by continuing to impose a 100 kw cap on individual systems, rather than setting an individual limit that reflects the customer’s energy consumption. For more than six years, Idaho Power has delayed in conducting the full, transparent analysis of the costs and benefits, system design limitations, and interconnection standards of this program that is foundational to developing a fair, just, and reasonable successor program. Instead, Idaho Power continues to propose piecemeal changes based on assertions and beliefs instead of analysis. ICL recommends the Commission provide some stability for customers and Idaho’s clean energy industry by:

A. Allowing both current and future solar-owners to select either a single meter or dual meter configuration so as to best meet the customer’s needs.

B. Defining an existing solar customer for purposes of distinguishing between the legacy Schedule 84 and any successor program as:

1. Any person or business with an interconnected, on-site generation system as of the service date of an order approving a successor net metering program; or
2. Any person or business who has applied to the Company for interconnection of an on-site generation system as of the service date of an order adopting a successor net metering program and who successfully interconnects their system within one year of the date of their application. *See Orders 34509, 34546, 34752 and 34798.*

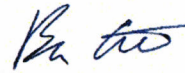
C. Adopting these criteria for an existing solar-owner to remain on the legacy Schedule 84:

1. a customer who moves into a property with a legacy on-site generation system will "inherit" the legacy status of the system,
2. if a system is offline for longer than six months, or is moved to another site, the legacy system is forfeited,

3. to allow for the replacement of degraded or broken panels, the customer may increase the capacity of the legacy system by no more than 10 percent of the originally installed nameplate capacity or 1 kW, whichever is greater, and
4. legacy status terminates 25 years following the Commission Order resolving this matter. *See Order 34546 at 9.*

D. Reiterate, again, that Idaho Power must collaborate with stakeholders to conduct a full, transparent analysis of the cost and benefit of customer-owned solar, as well as a comprehensive review of interconnection, metering, and system size limits, as the foundation for an assessment in a general rate case of a fair, just, and reasonable successor net metering program.

Respectfully submitted this 27th day of October 2020,



Benjamin J. Otto
Idaho Conservation League

CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of October, 2020, I delivered true and correct copies of the foregoing COMMENTS to the following persons via the method of service noted:

/s/ Benjamin Otto
Benjamin J. Otto

Electronic mail only (See Order 34602)

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