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IDAHO PUBLIC
UTILITIES COMMISSION

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO)	
POWER COMPANY'S)	
APPLICATION FOR AUTHORITY)	CASE NO. IPC-E-20-30
TO ESTABLISH TARIFF 68,)	
INTERCONNECTIONS TO)	COMMENTS
CUSTOMER DISTRIBUTED)	
ENERGY RESOURCES)	

Improvements in the technologies associated with solar photovoltaics, inverters and storage have dramatically lowered the costs associated with distributed energy resources (“DERs”). These technological advances are changing the traditional centralized generation utility model and with that, the entire electric utility industry.

As Idaho Power Company (“Idaho Power” or “the Company”) acknowledged in response to several of the Production Requests submitted by Commission Staff in this docket, there currently is a “relatively low level of DER penetration on Idaho Power’s system”. Idaho Power

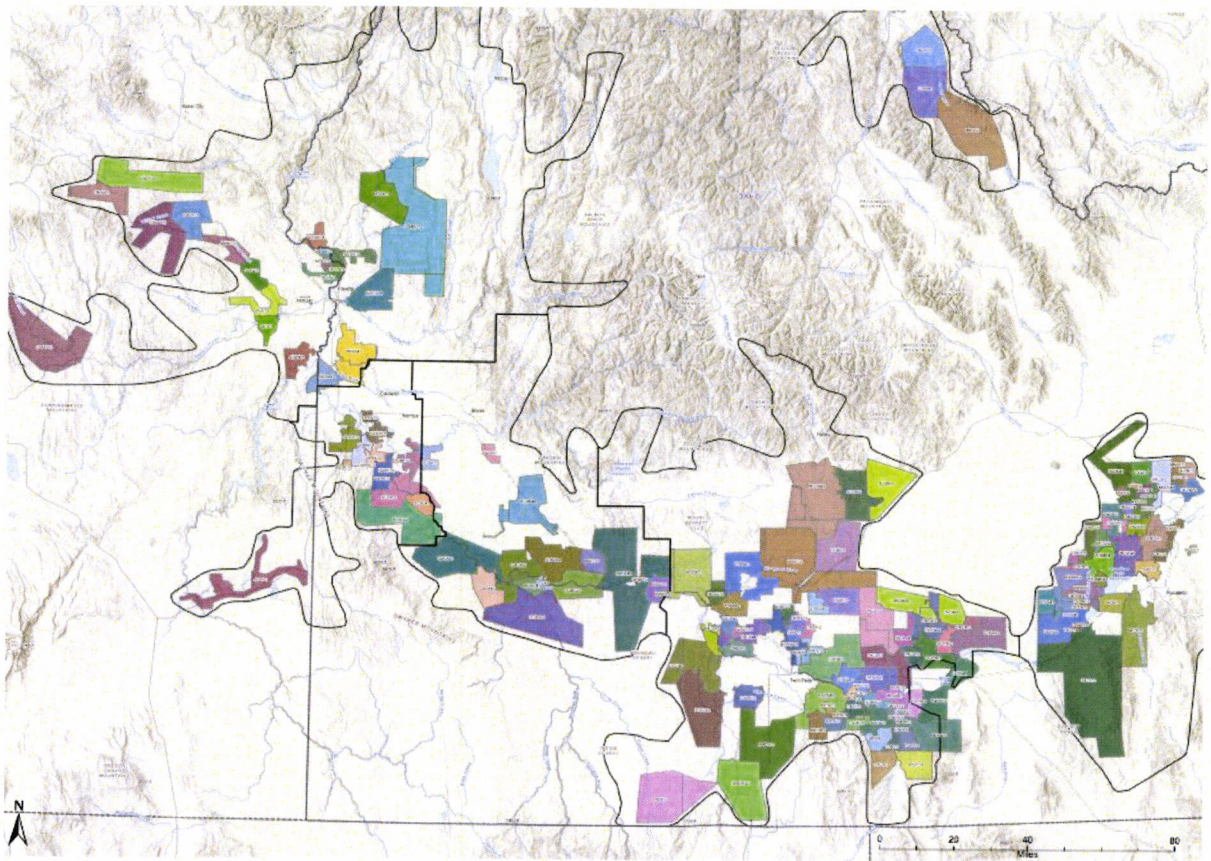
further stated that it won't review its proposed process related to smart inverters "until there is a significant increase in DER penetration".

We submit these comments believing that technological changes will continue to make DERs even more cost-effective, that increased utilization of DERs is in the interest of the Idaho public and that Idaho Power should be proactive in supporting these developments.

As the Commission and Staff are well aware, the rise of solar PV installations has spawned multiple dockets that address related topics. We ask that you take notice of the comments Sierra Club submitted in the related docket IPC-E-20-26. Among the points raised, Sierra Club believes those comments make at least a prima facie case that additional Irrigator owned solar generation would provide benefits to all Idaho Power customers.

Increased use of distributed solar in Idaho agriculture could serve as an insurance policy to protect Idaho agricultural interests from future economically harmful rate increases while providing Idaho citizens with access to federal funds from income tax incentives and/or federal actions like the REAP program. Certainly, such outcomes are in the public's interest for Idaho. But delay by Idaho Power in reviewing options for supporting the rise of customer owned DERs puts those outcomes at risk.

The map below displays in various colors the more than 175 of Idaho Power's distribution level "feeder" lines where Irrigation load makes up more than half of the load on those lines during peak load hours. The colored regions show the areas where economic conditions could allow significant increases in DER penetration to the benefit of all Idaho Power customers.



As SCE has noted in a recent publication related to the distribution system (see *Reimagining the Grid*, <https://www.edison.com/home/our-perspective/reimagining-the-grid.html>) the electric utility is the party best capable of extracting the potential benefits associated with distribution system level control of inverters and storage including at least power quality, voltage control, load loss avoidance, green attribute harvesting, plus capacity resource and distribution system level capital offsets.

While it may be adequate in the short-term, we don't believe that the passive approach Idaho Power has proposed in this docket (just setting a dead band on smart inverters without

committing to promptly begin studying how to better utilize DERs) is in the longer-term interest of the Idaho public.

Customers within the majority of Idaho Power's service territory could soon find their options to make investments in their agricultural operations constrained if Idaho Power is not more proactive in analyzing the opportunities for increasing DER penetration.

In Sum:

- Proactively enabling the increased use of distributed solar in Idaho agriculture is in Idaho's public interest.
- Delay by Idaho Power in reviewing options to support the rise of customer-owned DERs impedes the ability of customers to capture the associated benefits.
- The proposal Idaho Power has made in this docket to just establish settings for smart inverters without committing to study options for harnessing more of the benefits that DERs could potentially provide is not in the longer-term interest of the Idaho public.

Our Ask:

For too long the rise of distributed resources has been viewed by many utilities as a competitive threat – increases in customer owned generation produce an offsetting reduction in the utility's opportunities to add to the assets in their rate base.

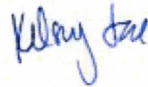
While increases in customer owned generation offset some traditional opportunities for the utility to add assets to their rate base, the potential for new solutions benefiting both the utility and customers have yet to be adequately explored.

We ask the Commissioners to use this docket as an opportunity to encourage Idaho Power to begin studying a compromise approach where in the future the Company can get “half a loaf” by owning (as potentially rate base able investments) inverters, storage and communications equipment associated with DER installations.

Specifically, we ask the Commission to order Idaho Power to begin as soon as possible to gather relevant data by performing a study on its system of the potential to use storage and improved control processes on its distribution system to harness the benefits that DERs can potentially provide.

DATED this 13th day of January, 2021.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Kelsey Jae".

Kelsey Jae
Attorney for Sierra Club

CERTIFICATE OF SERVICE

I hereby certify that on this 13th day of January, 2021, I delivered true and correct copies of the foregoing comments to the following persons via the method of service noted:

Electronic Mail Delivery (See Order No. 34602)

Idaho Public Utilities Commission

Jan Noriyuki
Commission Secretary
secretary@puc.idaho.gov

Idaho PUC Staff

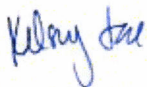
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