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IDAHO PUBLIC  
UTILITIES COMMISSION

BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER )	
COMPANY'S APPLICATION TO INITIATE A )	CASE NO. IPC-E-21-21
MULTI-PHASE COLLABORATIVE )	
PROCESS FOR THE STUDY OF COSTS, )	COMMENTS OF THE INDUSTRIAL
BENEFITS, AND COMPENSATION OF NET )	CUSTOMERS OF IDAHO POWER ON
EXCESS ENERGY ASSOCIATED WITH )	THE SCOPE OF THE STUDY
CUSTOMER ON-SITE GENERATION )	

COMES NOW, The Industrial Customers of Idaho Power and pursuant to an informal agreement among the parties to this docket, provides the following comments on the proper scope of the study that is the subject of this proceeding.

Off-Site Non-Exporting DER

Currently Schedule 68 permits Non-Exporting DER customers to operate in parallel with the Company upon compliance with interconnection and parallel operating requirements. There is no size limitation as long as the Non-Exporting DER customer prevents the delivery of inadvertent energy onto Idaho Power's system. Schedule 68 does not allow Non-Exporting systems to transfer energy across the interconnection point onto Idaho Power's system. In other words, non-exporting DER's must be located behind the meter at the physical site where the customer's DER generation is both generated and utilized. Although, the Company's tariffs

restrict DER generators from allowing their generation to cross the interconnection point and enter Idaho Power's system, the Commission should not be arbitrarily restrictive by limiting its definition of net metering generation to just the site where the customer's load happens to be located.

The Commission established the direction and scope of this proceeding in the following concluding passage from Order No. 34046:

*We can also assure the Company's customers that discriminatory rates will not follow from the outcome of this case, as the prevention of discriminatory rates by the utility is the main purpose of this Commission's oversight, Commission Staff's public service, and the many intervenors and public participant's involvement in these important cases. We also share with commenters the concern about the future of on-site generation. This Commission views on-site generation resources as an inevitable part of any utility's future resource portfolio. The underlying, fundamental nature of a utility's business is rapidly changing due to evolving regulatory regimes, technology, and customer preference.*

In addition, the Commission has declared that:

*[The] opportunity to ... offset usage is the primary purpose of net metering. ... The purpose of net metering is not to encourage excess generation.<sup>1</sup>*

According to this Commission, the primary purpose of net metering is to allow customers to generate sufficient electrical power and energy to offset their usage while not encouraging excess generation. And, of course, according to this Commission, the prevention of

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<sup>1</sup> Order No. 29260 at p. 6; Order no. 34753 at p. 3 (Lexis pagination).

“discriminatory rates” is “the main purpose” of the Commission’s oversight responsibilities. Currently, net metering opportunities are limited to just those customers who are lucky enough to be able to generate electricity where their electrical load is located. Customers who only have generating opportunities located at locations apart from their loads are currently arbitrarily prevented from being able to “offset usage.” Assuming logistical impediments are surmountable, there is no rational basis for the prohibition against off site net metering. Thus, it appears that the prohibition against offsite net metering is both arbitrary and facially discriminatory against those customers who do not have the physical ability to participate in on-site net metering in order to achieve the Commission’s stated purpose for net metering, which is to offset usage. In addition, not allowing customers who can construct and operate generating facilities ‘off-site’ in order to offset their usage at designated and possibly disparate locations clearly frustrates this Commission’s stated purpose for allowing net metering – which is to offset usage without encouraging excess generation.


The restriction requiring customer-owned DER to be located at the physical site where the customer’s load is consumed is unnecessarily restrictive and prevents customers with limited resource availability at their physical plant’s location from participating in the DER program.

The Industrial Customers of Idaho Power would therefore include on the issues list for further discussion the possibility of off-site Non-Exporting net metering facilities. This discussion topic would necessarily include an analysis of the feasibility of permitting a Non-Exporting DER customer to construct generating facility(ies) at a location (or locations) other than on the physical site where the DER’s output (or output equivalent) is ultimately consumed. Questions to be considered include how the DER energy could be credited to the physical site of the DER’s actual load. For instance, would the credited DER energy be used to offset the



customer's load in real time or over a predetermined time period (e.g. a month or a year or a billing period)? Although the DER generation would be injected onto Idaho Power's system – it would be credited only for the account of the DER customer's load and not credited for export for use by Idaho Power or Idaho Power's other customers. Other questions to be analyzed include such issues as whether a customer with multiple accounts/meters/locations would be able to amalgamate its disparate load locations for purposes of consuming the load from a single off-site DER (or even multiple off-site DERs); and how the utility's transmission/distribution system will be impacted and how Idaho Power would be compensated for its use? The analysis should also include an examination of whether there are any physical (e.g. engineering) or legal limitations on the concept of off-site DERs.

DATED this 15<sup>th</sup> day of September 2021



Peter J. Richardson  
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#### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 15<sup>th</sup> day of September 2021, a true and correct copy of the within and foregoing COMMENTS OF THE INDUSTRIAL CUSTOMERS OF IDAHO POWER ON THE SCOPE OF THE STUDY in Docket No. IPC-E-21-21 was served electronically to:

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