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IDAHO PUBLIC
UTILITIES COMMISSION



LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

December 2, 2021

Jan Noriyuki, Secretary
Idaho Public Utilities Commission
11331 W. Chinden Boulevard
Building 8, Suite 201-A
Boise, Idaho 83714

Re: Case No. IPC-E-21-40
Idaho Power Company's Application to Expand Optional Customer Clean
Energy Offerings Through the Clean Energy Your Way Program

Dear Ms. Noriyuki:

Attached for electronic filing, pursuant to Order No. 35058, is Idaho Power Company's Application in the above entitled matter.

If you have any questions about the attached documents, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Lisa D. Nordstrom".

Lisa D. Nordstrom

LDN:sg

Enclosures

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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S APPLICATION TO EXPAND) CASE NO. IPC-E-21-40
OPTIONAL CUSTOMER CLEAN)
ENERGY OFFERINGS THROUGH THE) APPLICATION
CLEAN ENERGY YOUR WAY)
PROGRAM.)

Idaho Power ("Idaho Power" or "Company") respectfully applies to the Idaho Public Utilities Commission ("Commission") pursuant to *Idaho Code* §§ 61-501 and - 502 for authority to expand its optional clean energy offerings to customers. Specifically, the Company seeks authority to: (1) rename the existing Schedule 62 Green Power Purchase Program Rider (Optional) ("Schedule 62") to the Clean Energy Your Way Program, (2) maintain and expand procurement options for the renewable energy certificate¹ ("REC") offering under the name Clean Energy Your Way - Flexible,

¹ The U.S. Environmental Protection Agency defines a renewable energy certificate ("REC") as "a market-based instrument that represents and conveys the property rights to the environmental, social and other non-power attributes of renewable electricity generation." <https://www.epa.gov/sites/default/files/2020-06/documents/3.0b-solar-claims-and-renewable-energy-certificates.pdf>

(3) establish a regulatory framework for a future voluntary subscription green power service offering named Clean Energy Your Way - Subscription, 4) offer a tailored renewables option to the Company's largest customers (Special Contract and Schedule 19, Large Power Service) named Clean Energy Your Way – Construction, and 5) procure associated program renewable resources outside the Commission's current competitive bidding requirements. These requests are addressed individually in the sections that follow.

The Company's existing Green Power Program, now in its 20th year, has served many customers over the years, resulting in the purchase of 355,393,513 kilowatt-hours ("kWh") of renewable energy, as of January 2021. However, the Company recognizes that preferences and desires with respect to renewable energy have shifted in recent years—with a growing number of customers seeking additional clean energy options.

In response to customer requests and feedback, and in consultation with individual customers, Idaho Power set out to design a "menu" of clean energy offerings that would appeal to customers of all sizes and seeking a variety of clean energy objectives, while also holding non-participants harmless.

After more than two years of customer and stakeholder engagement, as well as industry research, Idaho Power has developed a three-pronged offering that builds off the successful foundation of the Green Power Program to include a new subscriber-based option and a tailored renewable energy offering for customers seeking new renewable resources to accomplish their sustainability goals. To reflect the Company's new clean energy opportunities, Idaho Power proposes the program name "Clean Energy Your Way" to house the three options: Clean Energy Your Way - Flexible (REC

offering), Clean Energy Your Way – Subscription (individual subscriber offering), and Clean Energy Your Way - Construction (large customer offering).

Considering Idaho Power customers’ near-term clean energy objectives, the Company respectfully requests the Commission establish a schedule that could lead to approval of the elements proposed in this Application by April 2022.

Accompanying and in support of this Application are the following:

- Direct Testimony of Alison Williams;
- Attachment 1: Modified Schedule 62 Tariff (clean and legislative versions);
- Exhibit No. 1: Clean Energy Your Way - Subscription Proposed Program Parameters; and
- Exhibit No. 2: Customer Bill Mock-up for Clean Energy Your Way - Subscription Participant.

I. **BACKGROUND**

1. Idaho Power has long supported customers’ individual goals and initiatives to achieve clean energy through efforts like the Green Power Program and the Company’s 2017 Community Solar Pilot Program. Additionally, in March 2019, Idaho Power enhanced its commitment to the customers and communities it serves by becoming one of the first investor-owned utilities to proactively establish a 100 percent clean energy goal by 2045. Idaho Power’s “Clean Today. Cleaner Tomorrow.®” initiative builds off the Company’s foundation of clean energy—primarily attributable to its vast dispatchable hydropower network.² These efforts, which provide important context around Idaho Power’s decision to develop new clean energy opportunities for customers, are summarized below and detailed in the direct testimony of Regulatory Policy and Strategy Advisor Alison Williams.

² Approximately 41.7 percent of Idaho Power’s generation was comprised of hydroelectric generation in 2020. <https://www.idahopower.com/energy-environment/energy/energy-sources/>

2. Green Power Program: Formally known as the Green Energy Purchase Program and operating under the Company's Schedule 62 tariff, the Green Power Program is an easy, flexible, and voluntary offering that allows customers to purchase renewable energy in the form of RECs.

3. In an early version of the Green Power Program, customers specified the dollar amount they wished to add to their monthly electric bill to purchase renewable energy. Over time, the Company has modified the offering to allow for either purchasing 100 kWh "blocks" of renewable energy or by purchasing amounts equal to 100 percent of a customer's monthly energy use.³ The Green Power Program was also modified to seek Green-e® Energy certification of RECs—an important certification to verify the attributes and ownership of RECs and marketing accuracy. Additionally, the Company has added a large-quantity REC option for business customers to purchase a customized REC portfolio supported by local wind, solar, hydro, and geothermal projects.

4. Community Solar Pilot Program: On June 22, 2016, Idaho Power filed an application with the Commission requesting approval of a new tariff Schedule 63, Community Solar Pilot Program ("Pilot Program"). The Company proposed to build a 500 kilowatt single-axis tracking community solar array in southeast Boise, to which a limited number of Idaho Power customers could voluntarily subscribe to the generation output.

5. Parties to the case agreed to a settlement, which was approved by the Commission on October 31, 2016. However, despite marketing the program widely—including awareness marketing reaching all customers and highly targeted approaches reaching customers most likely to subscribe—it never achieved greater than 15.3 percent

³ *In the Matter of Idaho Power Company's Application to Modify Option Schedule 62, Green Energy Purchase Program Rider*, Case No. IPC-E-16-13, Order No. 33570 (Aug 29, 2016).

enrollment. As a result, on February 1, 2019, the Company requested to suspend the Pilot Program citing insufficient enrollment.⁴

6. While the Pilot Program was not launched, it did serve as a learning opportunity for Idaho Power. The Company learned through outreach efforts⁵ that the primary factors leading to lack of interest were high premium cost compared to regular rates and concerns about the ability to achieve a return on investment. These lessons learned informed development of the clean energy offerings proposed in this Application.

7. Idaho Power's Clean Energy Goal: Idaho Power's "Clean Today. Cleaner Tomorrow.®" sets a target of 100 percent clean energy by 2045. This goal mirrors sentiments from Idaho Power's customers and communities that a cost-effective glide path toward clean energy is vital to reduce carbon emissions and a logical corporate approach given industry advancements that make many renewable energy technologies more affordable.

8. Idaho Power's clean energy objectives are shared by a growing number of customers and communities in Idaho. These customers have been vocal about their own climate- and clean energy-related goals, and the desire to work with Idaho Power to meet their clean energy objectives. In particular, commercial, industrial, and municipal customers are increasingly pursuing or exploring sustainability targets, such as powering their operations on 100 percent renewable energy by the end of the decade—if not sooner.

⁴ Idaho Power Company's 2019 Community Solar Annual Report, Case No. IPC-E-16-14 (Feb 1, 2019); Advice No. 19-02, Suspension of Schedule 63, Community Solar Pilot Program (Optional), (approved and effective Apr 26, 2019).

⁵ In addition to contacting individual customers, Idaho Power surveyed its Empowered Community of customers and received a 65 percent response rate. The Empowered Community is an online panel of nearly 3,000 Idaho Power residential customers who have agreed to participate in periodic online surveys and provide feedback to the Company.

9. While the purchase of RECs is an acceptable strategy for many Idaho Power customers, RECs do not meet the needs of all customers due to limited availability, lack of long-term commitment, and—critically—the inability of RECs to help customers achieve a “net new” resource to meet their renewable energy goals (i.e., so-called “additionality” of a new wind or solar resource that does not currently exist on Idaho Power’s system). With this feedback from customers in mind, Idaho Power explored new clean energy offerings, as summarized in the sections below.

II. NEW PROGRAM NAME: CLEAN ENERGY YOUR WAY

10. While the Green Power Program name is established and known, it is typically associated with RECs and does not convey the broader sustainability goals of Idaho Power’s customers. To correct for these limitations, Idaho Power seeks to rebrand its current offering with a new, broader program name: Clean Energy Your Way.

11. The umbrella name of Clean Energy Your Way is intended to communicate Idaho Power’s existing and proposed new offerings. Not only does the name change better align with Idaho Power’s “Clean Today. Cleaner Tomorrow.®” goal, but consistent naming and terminology will allow customers and stakeholders to clearly connect the Company’s clean energy goal and its associated programmatic activities to their own clean energy objectives.

12. With respect to naming conventions, Idaho Power requests approval to change the following: (1) rename Schedule 62 Green Energy Purchase Program Rider (Optional) to Schedule 62 Clean Energy Your Way (Optional) and (2) Rename the Green Energy Purchase Program to Clean Energy Your Way – Flexible.

13. Below, in Sections III, IV, and V, Idaho Power describes how each of the three Clean Energy Your Way offerings would operate and what the Company requests from the Commission.

III. CLEAN ENERGY YOUR WAY - FLEXIBLE

14. From the customer's perspective, Idaho Power's Clean Energy Your Way – Flexible program will operate in the same manner as the existing Green Power Program. The only substantive change proposed by Idaho Power is the name change from Green Power to Clean Energy Your Way – Flexible. Upon approval of this name change, Idaho Power will inform and educate existing and prospective REC-purchase customers of the change. If approved, all of Idaho Power's REC-oriented materials will reflect the new program and offering name.

15. In addition to the name change, Idaho Power requests approval to expand its REC purchase options to keep up with demand and to satisfy customers with near-term clean energy goals that can be accomplished with RECs.

16. These two customer-focused opportunities are detailed below, with discussion of their relationship to the Company's REC Management Plan,⁶ the Commission-filed document that governs the sale and proceeds of Idaho Power-owned RECs and which is addressed in the direct testimony of Alison Williams.

17. Limited Bulk Purchase Option: The first REC expansion opportunity is an advance purchase REC construct, which would allow Idaho Power to serve customers with near-term and small-quantity REC purchase requirements on a short timeline. Purchasing RECs in advance (in small bulk quantities, rather than in individual quantities

⁶ *In the Matter of the Application of Idaho Power Company for Authority to Retire Its Green Tags*, Case No. IPC-E-08-24, Order No. 32002 (Jun 11, 2010).

with each new customer request) will result in a more efficient and cost-effective process for Idaho Power and customers.

18. Under this proposal, the Company would purchase a limited quantity of RECs in advance of a customer request with the intent to sell them to interested customers at a later date under individual customer-specific REC sale agreements.

19. The Company will sell these RECs at cost, plus any transaction fees, meaning there will be no net proceeds to pass through the Power Cost Adjustment (“PCA”) mechanism. In the event the Company cannot find a willing purchaser for some or all of the RECs, Idaho Power will record the unsold amounts as a charge to the Company’s Operations & Maintenance expense.

20. Such advance REC purchases shall not exceed \$5,000 at any given time. Additionally, the Company would not initiate the next bulk purchase until the prior batch had been sold.

21. REC “Sleeve” Option: In addition to the request above, Idaho Power seeks the authority to serve as a “sleeve” for REC transactions with Idaho Power customers—that is, connect customers to non-Idaho Power REC purchases. The Company would like to continue working holistically with customers on their clean energy goals, rather than refer them to another party or outside energy advisor. As Idaho Power envisions this arrangement, the transactions would work in the manner described above—the Company would sell any procured RECs at cost, thereby creating no proceeds to pass through the PCA, and there would be no unsold RECs as the Company would only procure the amount of RECs the customer would purchase.

22. As these intended REC transactions fall outside of the provisions of both the Company's REC Management Plan and existing Schedule 62, the Company seeks Commission approval for this new practice but does not propose any other modifications or changes to the existing program or governing documents.

IV. FRAMEWORK FOR A FUTURE CLEAN ENERGY YOUR WAY – SUBSCRIPTION OPTION

23. Through customer conversations, Idaho Power identified that a subscription-style green tariff offering would be desirable. Many customers specifically asked for an option that would provide energy from a new renewable resource in an easy, streamlined, and accessible manner.

24. Subscription green tariff offerings have been successfully designed, implemented, and operated by electric utilities across the United States. Idaho Power focused its green tariff research on two nearby success stories: Xcel Colorado's Solar*Connect⁷ subscription-based offering and Puget Sound Energy's Green Direct⁸ subscription program. These programs, both fully subscribed upon implementation, demonstrate that subscription-based clean energy programs are effective offerings for customers.

25. Recognizing that Idaho Power's service area is distinct from both Washington and Colorado, the Company closely examined the elements of these two utilities' programs and selected components that would be most appropriate for Idaho Power and consistent with the objectives of its customers.

⁷ Xcel Colorado's Solar*Connect program (docket 16-A0055E) was approved by the Colorado Public Utilities Commission in November 2019. Xcel's Schedule RC tariff governs the program.

⁸ Puget Sound Energy's ("PSE") Green Direct program (docket UE-160977) was approved by the Washington Utilities and Transportation Commission in September 2016. PSE's Schedule No. 139 governs the program.

26. Two-Phase Commission Approval Process: In a subscription green tariff construct, customers “subscribe” to a portion of output from a new renewable resource on a utility’s system. But to offer such a program, a utility needs to have a resource selected and subscription pricing determined. Idaho Power believes the sequence of activities is important for the Subscription and, consistent with the processes in other jurisdictions, supports a two-phase process to guide the offering from proposal to Commission approval of the program pricing. The two phases are as follows:

- **Phase I:** Idaho Power seeks authority to offer a voluntary subscription option (this Application) and includes the foundational concepts of program structure and design for approval.
- **Phase II:** Upon Commission approval to offer Clean Energy Your Way – Subscription, Idaho Power would seek a Subscription-dedicated resource. Resource selection would involve determining the resource type, size, and location. Once a resource is identified, Idaho Power would propose specific subscription pricing under the structure approved in Phase I and return to the Commission for approval of those program elements and associated tariff changes. All costs, financial analysis, program accounting treatment, customer charges/credits, and customer agreements would be determined in the second filing, as these details are not possible to establish absent a known resource.

27. With the above two-phase process in mind, Idaho Power seeks authority to offer the Clean Energy Your Way – Subscription with initial design concepts and features as described below and in Exhibit 1.

28. Subscription Eligibility: The Clean Energy Your Way – Subscription offering would be a voluntary subscription-based program open to all of Idaho Power’s customer classes, from residential to Special Contracts. However, given the size of Idaho Power’s largest customers relative to the generation output of a likely renewable resource, Idaho Power proposes an individual customer cap of 15 percent of program capacity. This eligibility cap is to preserve equitable access to the program by ensuring that no one customer can absorb more than 15 percent of program availability.

29. Subscription Size: Idaho Power proposes basing individual subscription sizes on a customer’s average prior year energy use in kWh. Customers without a complete year of history with Idaho Power would be subscribed to an amount informed by their usage history at the point of program sign up. New customers with no billing history would be assigned a subscription size based on their expected energy use. For additional flexibility, customers would be able to sign up for the subscription at 50 or 100 percent of their average prior year energy use.

30. Subscriber Term Lengths: Idaho Power’s residential customers would be offered a month-to-month subscriber option. For residential and all other classes of customers, Idaho Power would offer subscriber terms of 5 years, 10 years, and 20 years.

31. RECs: RECs generated from the subscription resource would be retained and retired by Idaho Power. Alternate arrangements could be considered on a case-by-case basis with individual customers.

32. Program Pricing Components: While actual program pricing would not be developed until a resource is selected, Idaho Power proposes the following cost and credit components for the Subscription:

- **Program Charge:** (1) cost of the resource (\$/kWh); (2) integration charges associated with the resource; (3) administration and marketing costs to advertise and maintain the offering; and (4) a term adjustment charge applied in tiers to shorter-term (month-to-month, 5-year, and 10-year) subscribers. As anchor tenants of the Subscription offering, full-term subscribers would not pay a term adjustment charge.
- **Program Credit:** For the value that the specific resource would bring to Idaho Power's system, subscribers would receive a credit for both energy and capacity of the program resource.

33. Monthly Billing: Importantly, customers of the Subscription would continue to pay all standard rates and charges associated with their rate schedule(s). The Subscription would be an add-on to the customer bill, with four new line items, as illustrated in the bill mock-up attached to this Application as Exhibit 2: (1) Subscriber amount (in kWh), (2) Subscriber charge amount, (3) Subscriber credit amount, and (4) net charge (subscriber charge less subscriber credit).

34. Based on expressed customer interest, Idaho Power believes it can fully subscribe the offering as described above with a 50-100 megawatt resource. If customer demand exceeds what the first Subscription resource can provide, Idaho Power would consider seeking approval for a second Subscription offering.

35. However, in the event that the Company cannot fully subscribe the offering, Idaho Power proposes to dispatch any unsubscribed renewable generation to its system with the cost of the resource included in broader customer rates and/or the PCA mechanism. Additionally, the Company proposes that the RECs of any unsubscribed

portions of the Subscription resource would be sold and treated in a manner consistent with the Management Plan, with proceeds passing through the PCA to benefit all customers.

36. The Company considers the inability to subscribe the offering a low probability outcome, but one that would not harm the broader customer base. Considering Idaho Power's capacity deficit⁹ occurs before 2028, any unsubscribed portions of energy from the Subscription resource could be a helpful contribution to meeting Idaho Power's capacity needs.

V. CLEAN ENERGY YOUR WAY - CONSTRUCTION

36. In addition to the Flexible and Subscription offering, Idaho Power identified the need for a tailored renewable option for its largest customers—specifically, Schedule 19 and Special Contracts. Idaho Power believes it can work with its existing and future Special Contract customers to integrate a renewable offering into their service agreements with the Company, but it does not currently have the ability to extend these kinds of agreements to Schedule 19 customers. As a result, the Company requests that the Commission allow equal opportunity to the Construction option for Special Contract and Schedule 19 customers alike.

37. In simple terms, Clean Energy Your Way – Construction offers large customers a tailored way to cover 100 percent of their energy use with a new renewable resource(s). Logistically, the Construction option works by reconciling a customer's

⁹ *In the Matter of Idaho Power Company's Application for a Determination Acknowledging Its North Valmy Power Plan Exit Date*, Case No. IPC-E-21-12, Ellsworth DI at p. 26, l. 21 – p. 27, l. 16 (Apr 30, 2021); *In the Matter of Idaho Power Company's 2019 Integrated Resource Plan*, LC 74, Valmy Unit 2 Exit Analysis at 11 (Aug 4, 2021).

energy use against the generation of a renewable resource (or resources) on an hourly basis.

38. As detailed in the modified Schedule 62, the Company requests approval from the Commission to offer the Construction arrangement under a broad framework with consistent mechanics and pricing structure. Eligible customers would have the ability to work with Idaho Power to select a renewable resource(s), and provide input on the type, size, and location. Construction resources must connect to Idaho Power as system resources and customers may claim the renewable attributes.

39. Unlike the Subscription, the Construction option would impact a customer's existing rate structure by creating new cost and benefit streams resulting from the renewable resource(s). Specifically, the pricing dynamics of the Construction option would work as follows:

- When the renewable resource is not generating (for example, a solar resource does not generate electricity at nighttime), the customer continues to take service from Idaho Power at their standard rates. (This amount is defined as Net Consumption in Attachment 1.)
- When the resource is generating, the customer pays for all the generation output at an agreed-upon price. (Renewable Energy Facilities ("REF") charge in Attachment 1.)
- For the value the resource brings to Idaho Power's system in the form of energy and capacity, the Company credits the customer at an agreed-upon Commission approved value. (REF credit in Attachment 1.)

- In any given hour, if the renewable generation exceeds the customer's energy use, Idaho Power credits the customer for that excess at a negotiated value. (Excess Generation in Attachment 1.)
- The customer continues to pay all fixed costs present in the customer's energy rate (REF On-Site Usage in Attachment 1), as well as standard rates, charges and fees (e.g., franchise fees) for reliable service provided by Idaho Power.

40. Importantly, Idaho Power envisions that the rates and other charges/credits resulting from each Construction arrangement would be approved by the Commission on a case-by-case basis. The Company's largest customers have vastly different businesses, energy use patterns, demand for energy, and clean energy objectives. As such, the Construction option must be broad enough to allow for tailored customer solutions.

41. One such tailored solution might involve multiple customers joining together under one Construction arrangement to achieve resource economies of scale. Another tailored arrangement could involve Idaho Power working with a customer to develop more than one resource (e.g., two solar facilities, or both a solar and wind facility). Several customers have already expressed a desire to work with Idaho Power on tailored Construction solutions with other customers and/or multiple resources. To meet these specific customer requests, Idaho Power believes a flexible structure for the Construction offering is prudent. As a result, the Company has developed a broad framework for the Construction offering that provides optionality to meet individual customer needs.

42. Regardless of the specific arrangement, though, the Construction option is designed so that non-participating customers are held harmless. Each Construction arrangement will include a no-harm financial analysis to demonstrate that all costs are borne by the Construction customers and do not shift to non-participants. Further, individual Commission approval ensures that each arrangement is evaluated and approved on its own merits.

VI. RESOURCE PROCUREMENT

43. Resources procured for the Subscription and Construction offerings would be acquired for the sole purpose of implementing optional energy service offerings. For both offerings, Idaho Power would like to work with developers to identify a resource or resources that meet the needs of the respective offering and the participating customers. To accomplish these objectives efficiently and expeditiously, the Company requests the ability to waive competitive resource procurement requirements.

44. The current Commission requirements for competitive resource procurement are based on a 2010 case that established competitive bidding guidelines for procurement of supply-side resources for Idaho Power.¹⁰ In 2013, the Commission closed this case without establishing Idaho-specific resource procurement guidelines, but rather directed Idaho Power to follow the Request for Proposals (“RFP”) guidelines applicable in its Oregon service area. The Oregon RFP guidelines to which the Commission referred were later codified into the administrative rules of the Oregon Public Utility Commission (“OPUC”). OAR 860-089-0010 *et. seq.* (“OPUC Resource Procurement Rules”). The OPUC Resource Procurement Rules impose competitive

¹⁰ *In the Matter of the Development of Request for Proposal (RFP) Guidelines for the Procurement of Supply-Side Resources by Idaho Power*, Case No. IPC-E-10-03, Order No. 32745 (Feb 12, 2013).

bidding requirements upon an electric utility for the “acquisition of a resource or a contract for more than an aggregate of 80 megawatts and five years in length,” among other requirements OAR 860-089-0100(1)(a).

45. While Idaho Power does not believe the OPUC Resource Procurement Rules should be applied to resources procured for the Clean Energy Your Way Program, the Company certainly envisions a competitive process would be applied—just not the specific process required under OPUC Resource Procurement Rules.

46. For the Subscription offering, it is Idaho Power’s expectation that the Commission would review the resource procurement process during the previously discussed Phase II. In this Phase, Idaho Power would demonstrate that the program resource was competitively procured and that the cost of such a resource would not negatively impact the rates of non-participating customers.

47. For Construction arrangements, it is Idaho Power’s expectation that the Commission would review the procurement process and associated resource cost assignment as part of each Construction arrangement prior to approval.

VII. MODIFIED PROCEDURE

48. Idaho Power believes that it would be appropriate to process this case by means of Modified Procedure (i.e., by written submissions rather than by hearing) in accordance with the provisions of RP 201-210 *et seq.* However, if the Commission prefers another procedure for processing, the Company has pre-filed the direct testimony of Company witness Alison Williams.

VIII. COMMUNICATONS

49. Communications and service of pleadings, with reference to this Application should be sent to the following:

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IX. REQUEST FOR RELIEF


50. Although the Green Power Program has met many customer's needs to date, a growing number of customers are seeking additional clean energy options. In response to customer requests and feedback, and in consultation with individual customers, Idaho Power has designed a "menu" of clean energy offerings to appeal to customers of all sizes and with all manner of clean energy objectives to bridge the gap until Idaho Power reaches its 100 percent clean energy goal by 2045. These offerings are voluntary and designed to hold non-participants harmless.

51. For the reasons set forth above, Idaho Power seeks Commission authorization for Idaho Power to: 1) Name a new suite of offerings under the title Clean Energy Your Way, 2) expand procurement options for RECs under the new name Clean Energy Your Way - Flexible, 3) establish a regulatory framework for a future voluntary subscription green tariff named Clean Energy Your Way - Subscription, 4) offer a tailored renewables offering to the Company's largest customers (Special Contract and Schedule 19) called Clean Energy Your Way – Construction, and 5) procure associated resources outside the Commission's current competitive

procurement requirements.

52. To move forward with efficiency and expedience, and in recognition of some Idaho Power customers' clean energy goals with target dates as early as 2025, the Company respectfully requests the Commission establish a schedule that could lead to approval of the elements proposed in this Application by April 2022.

DATED at Boise, Idaho, this 2nd day of December 2021.



LISA D. NORDSTROM
Attorney for Idaho Power Company

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-21-40**

IDAHO POWER COMPANY

**ATTACHMENT 1
SCHEDULE 62 TARIFF**

(Clean and Legislative Formats)

CLEAN FORMAT

SCHEDULE 62
CLEAN ENERGY YOUR WAY PROGRAM
(OPTIONAL)

PURPOSE

The Clean Energy Your Way Program (the Program) is an optional, voluntary program designed to provide eligible Customers and non-customer participants an opportunity to participate in the purchase of environmentally friendly “green” energy. The Program contains two offerings: 1) The Clean Energy Your Way – Flexible for Customers and non-customers wishing to procure RECs from existing resources which may or may not be on Idaho Power’s system; and 2) the Clean Energy Your Way – Construction option for Customers interested in new renewable energy resources.

DEFINITIONS

Excess Generation is calculated on an hourly basis and represents the REF energy delivered to Idaho Power’s system that exceeds the REF On-Site Usage.

Net Consumption is calculated on an hourly basis and represents the Customer(s) metered kWh usage less the REF energy delivered to Idaho Power’s system. The Net Consumption cannot be less than zero.

Renewable Construction Agreement will be the contractual agreement developed between Idaho Power and a Customer(s) governing the terms, conditions, and pricing of a Clean Energy Your Way – Construction arrangement.

Renewable Energy Certificate (RECs) will be from renewable projects as defined by the Center for Resource Solutions Green-e Energy standard and renewable energy will be sourced from projects located in the Western Electricity Coordinating Council’s geographic area of authority with preference given to projects located in Idaho Power’s service area and the northwest. Renewable energy types will be primarily wind and solar but may include other certified types such as geothermal, low-impact hydroelectric, landfill gas, and biomass.

Renewable Energy Facilities (REFs) are resources fueled by solar, wind, biomass, geothermal, or hydropower. REFs must be located within Idaho Power’s service area or connected to Idaho Power’s transmission system and represent new facilities (i.e. facilities not previously constructed). A Seller’s Generation Facility (as defined by Schedule 72) is ineligible to be selected as a REF.

REF Cost will reflect the cost of the resource interconnected to Idaho Power’s system and procured on behalf of the participating Customer(s).

REF Credit will reflect the benefit of the REF to Idaho Power’s system, subject to Commission approval.

REF On-Site Usage is calculated on an hourly basis and represents the amount of energy generated by the REF up to a Customer(s) metered kWh usage.

SCHEDULE 62
CLEAN ENERGY YOUR WAY PROGRAM
(OPTIONAL)
(Continued)

SECTION 1: CLEAN ENERGY YOUR WAY - FLEXIBLE

APPLICABILITY

For the purpose of the Clean Energy Your Way – Flexible option, renewable energy will be in the form of RECs. Service under this option is applicable to all Customers and non-customer participants who choose to participate in the Program.

REC PURCHASE TERMS

Customer participants will designate one of two billing options upon enrollment. Non-customer participants may only participate under Option 1.

Option 1: Block

Block Size: One Block equals 100 kWh of RECs

Charge Per Block: \$1.00 per month

Option 2: Total Usage

Customers may purchase RECs equal to their monthly usage each month at a price premium of 1.0 cent per billed kWh.

Option 3: Large Purchase Option

For purchases of 750 MWh or more per year, a tailored agreement may be developed based on individual Customer preference. Pricing and REC composition will be individually negotiated in a manner that ensures that the full cost of the REC contract is borne by the participating Customer(s).

BILLING

For a Customer who chooses Option 1, the monthly bill shall be the number of blocks the Customer has agreed to purchase multiplied by the Charge Per Block. For a Customer who chooses Option 2, the monthly bill shall be the Customer's usage, times the price premium per kWh. For a Customer who chooses Option 3, the bill shall reflect the terms of the tailored agreement. The bill is in addition to all other charges contained in the Customer's applicable tariff schedule. A non-customer participant will be issued an invoice that reflects their designated purchase amount.

PROGRAM ADMINISTRATION

No funds collected from the Clean Energy Your Way – Flexible option may be used for program administration (program management). A portion of the funds may be used to support program communications, participant outreach, and marketing.

SCHEDULE 62
CLEAN ENERGY YOUR WAY PROGRAM
(OPTIONAL)
(Continued)

SECTION 1: CLEAN ENERGY YOUR WAY – FLEXIBLE (Continued)

QUALIFYING INITIATIVES

In an effort to promote local project development and build awareness of renewable energy, if available, funds collected from the Clean Energy Your Way – Flexible option under REC Options 1 and 2 but not otherwise required to meet program obligations may be distributed to support renewable demonstration projects at schools located in Idaho Power's service area. Demonstration projects may include renewable generation systems, data monitoring, renewable energy curriculum, and teacher training.

SPECIAL TERMS AND CONDITIONS

Program participants under Options 1 and 2 may apply for, or terminate participation from, the Clean Energy Your Way – Flexible offering anytime during the year. Participants under Option 3 will be subject to the terms of the individually negotiated contracts. The Company may limit availability of the Program subject to available RECs at the cost incurred under the terms described above.

No electric service disconnections will result in the event of non-payment of program commitments.

SECTION 2: CLEAN ENERGY YOUR WAY – CONSTRUCTION

APPLICABILITY

Clean Energy Your Way – Construction provides Schedule 19, Large Power Service, and Special Contract customers an option to buy energy sourced from new renewable projects connected within Idaho Power's service area and delivered through Idaho Power's transmission and distribution system. This offering is available to individual Customers at a single service point or multiple service points.

Provision of the Construction option is contingent upon Idaho Power and the participating Customer(s) entering into a Renewable Construction Agreement.

RESOURCE PROCUREMENT

REF procurement will be negotiated by Idaho Power, in consultation with the Customer. REF characteristics such as generation type and size, construction timing, location, and ownership structure may vary based on the individual needs of the participating Customer(s) and to ensure non-participating Customers are held harmless. Customer(s) pursuing the Construction option cannot request to size the REF greater than 110 percent of the participating service point(s) annual energy amounts. For purposes of determining annual energy amounts, if available, the most recent 12 months of historical usage will be used. For new customers, annual energy amounts may be based on a forecast.

The Customer(s) will pay all costs associated with the REF, including but not limited to necessary studies related to resource acquisition, construction, and integration and interconnection of the resource with Idaho Power's system.

SCHEDULE 62
CLEAN ENERGY YOUR WAY PROGRAM
(OPTIONAL)
(Continued)

SECTION 2: CLEAN ENERGY YOUR WAY – CONSTRUCTION (Continued)

CUSTOMER AGREEMENT AND BILLING STRUCTURE

For each billing period, Customer(s) shall incur or receive the following charges/credits:

1. A participating Customer(s)' Service Charge, Billing Demand, On-Peak Billing Demand, Basic Load Capacity, and other monthly charges will be charged at the standard rates, charges, and fees associated with the Customer's applicable service schedule;
2. Net Consumption shall be charged at the standard rates, charges, and fees associated with the Customer's applicable service schedule;
3. The REF On-Site Usage for Special Contract customers shall be charged at a rate in their respective service schedule and the REF On-Site Usage for Schedule 19 Customers shall be charged as follows:

Time Period	Fixed Cost Component of the Retail Energy Charge, per kWh		
	Secondary Service	Primary Service	Transmission Service
Summer On-Peak	3.5781 ¢	2.4573 ¢	2.3982 ¢
Summer Mid-Peak	2.2593 ¢	1.3899 ¢	1.3608 ¢
Summer Off-Peak	1.6952 ¢	0.9433 ¢	0.9192 ¢
Non-Summer Mid-Peak	1.9088 ¢	1.1522 ¢	1.1337 ¢
Non-Summer Off-Peak	1.3885 ¢	0.7380 ¢	0.7216 ¢

4. Excess Generation shall be credited to the Customer at a rate contained in the Renewable Construction Agreement;
5. REF Cost as contained in the Renewable Construction Agreement; and,
6. REF Credit as contained in the Renewable Construction Agreement (if applicable).

REC OWNERSHIP AND ADDITIONAL REC PROCUREMENT

REC ownership will be negotiated on an individual Customer basis. A Customer may elect to take ownership of the REF's RECs or elect for Idaho Power to retain ownership and retire the RECs on the Customer's behalf.

If the REF generation does not meet 100 percent of the Customer(s)' consumption on a yearly basis, the Customer(s) may elect to enter into a separate REC purchase contract to cover the difference between REF generation and the Customer(s)' consumption. Any separate REC purchase agreement will be negotiated on a case-by-case basis.

SCHEDULE 62
CLEAN ENERGY YOUR WAY PROGRAM
(OPTIONAL)
(Continued)

SECTION 2: CLEAN ENERGY YOUR WAY – CONSTRUCTION (Continued)

TERMS AND CONDITIONS

Idaho Power shall have the right to select and reject Program participants at its sole discretion based on criteria Idaho Power considers necessary to ensure the effective operation of the Program.

The terms and term length of the Renewable Construction Agreement will be determined in a negotiation between Idaho Power and the Customer(s). The Renewable Construction Agreement will be subject to Commission approval.

The REF generation cannot be used to offset a Customer(s)' Basic Load Capacity, Billing Demand or On-Peak Billing Demand.

The Renewable Construction Agreement must include a Customer(s) financial guarantee to cover stranded REF costs in the event of Customer default, dissolution, and/or relocation. The guarantee amount will be negotiated between the Customer(s) and Idaho Power based on the value of the REF to ensure stranded costs are not shifted to non-participants.

LEGISLATIVE FORMAT

SCHEDULE 62
GREEN-CLEAN ENERGY PURCHASE YOUR WAY
PROGRAM RIDER
(OPTIONAL)

PURPOSE

The ~~Green-Clean~~ Energy ~~Purchase-Your Way~~ Program (the Program) is an optional, voluntary program designed to provide eligible Customers and non-customer participants an opportunity to participate in the purchase of ~~new~~ environmentally friendly “green” energy. The Program contains two offerings: 1) The Clean Energy Your Way – Flexible for Customers and non-customers wishing to procure RECs from existing resources which may or may not be on Idaho Power’s system; and 2) the Clean Energy Your Way – Construction option for Customers interested in new renewable energy resources.

DEFINITIONS

Excess Generation is calculated on an hourly basis and represents the REF energy delivered to Idaho Power’s system that exceeds the REF On-Site Usage.

Net Consumption is calculated on an hourly basis and represents the Customer(s) metered kWh usage less the REF energy delivered to Idaho Power’s system. The Net Consumption cannot be less than zero.

Renewable Construction Agreement will be the contractual agreement developed between Idaho Power and a Customer(s) governing the terms, conditions, and pricing of a Clean Energy Your Way – Construction arrangement.

Renewable Energy Certificate (RECs) will be from renewable projects as defined by the Center for Resource Solutions Green-e Energy standard and renewable energy will be sourced from projects located in the Western Electricity Coordinating Council’s geographic area of authority with preference given to projects located in Idaho Power’s service area and the northwest. Renewable energy types will be primarily wind and solar but may include other certified types such as geothermal, low-impact hydroelectric, landfill gas, and biomass.

Renewable Energy Facilities (REFs) are resources fueled by solar, wind, biomass, geothermal, or hydropower. REFs must be located within Idaho Power’s service area or connected to Idaho Power’s transmission system and represent new facilities (i.e. facilities not previously constructed). A Seller’s Generation Facility (as defined by Schedule 72) is ineligible to be selected as a REF.

REF Cost will reflect the cost of the resource interconnected to Idaho Power’s system and procured on behalf of the participating Customer(s).

REF Credit will reflect the benefit of the REF to Idaho Power’s system, subject to Commission approval.

REF On-Site Usage is calculated on an hourly basis and represents the amount of energy generated by the REF up to a Customer(s) metered kWh usage.

APPLICABILITY

~~Service under this schedule is applicable to all Customers and non-customer participants who choose to participate in the Program.~~

RENEWABLE ENERGY

~~For the purpose of this schedule, renewable energy will be in the form of Renewable Energy Certificates (REC) from new renewable projects as defined by the Center for Resource Solutions Green e Energy standard. Renewable energy will be sourced from projects located in the Western Electricity Coordinating Council's geographic area of authority with preference given to projects located in Idaho Power's service area and the northwest. Renewable energy types will be primarily wind but may include other certified types such as solar, geothermal, low impact hydroelectric, landfill gas, and biomass.~~

PURCHASE

~~Customer participants will designate one of two billing options upon enrollment. Non-customer participants may participate under Option 1.~~

Option 1: Block

~~Block Size: One Block equals 100 kWh of renewable energy~~

~~Charge Per Block: \$1.00 per month~~

Option 2: Total Usage

~~Customers may purchase renewable energy equal to their monthly usage each month at a price premium of 1.0 cent per billed kWh.~~

MONTHLY BILL

~~For a Customer who chooses Option 1, the monthly bill shall be the number of blocks the Customer has agreed to purchase multiplied by the Charge Per Block. For a Customer who chooses Option 2, the monthly bill shall be the Customer's usage, times the price premium per kWh. The monthly bill is in addition to all other charges contained in the Customer's applicable tariff schedule. A non-customer participant who chooses Option 1, will be issued a monthly invoice that reflects their designated fixed dollar per month amount.~~

SCHEDULE 62
GREEN-CLEAN ENERGY PURCHASE YOUR WAY
PROGRAM RIDER
(OPTIONAL)
(Continued)

SECTION 1: CLEAN ENERGY YOUR WAY - FLEXIBLE

APPLICABILITY

For the purpose of the Clean Energy Your Way – Flexible option, renewable energy will be in the form of RECs. Service under this schedule option is applicable to all Customers and non-customer participants who choose to participate in the Program.

RENEWABLE ENERGY

For the purpose of this schedule, renewable energy will be in the form of Renewable Energy Certificates (REC) from new renewable projects as defined by the Center for Resource Solutions Green Energy standard. Renewable energy will be sourced from projects located in the Western Electricity Coordinating Council's geographic area of authority with preference given to projects located in Idaho Power's service area and the northwest. Renewable energy types will be primarily wind but may include other certified types such as solar, geothermal, low impact hydroelectric, landfill gas, and biomass.

REC PURCHASE TERMS

Customer participants will designate one of two billing options upon enrollment. Non-customer participants may only participate under Option 1.

Option 1: Block

Block Size: One Block equals 100 kWh of renewable energy RECs

Charge Per Block: \$1.00 per month

Option 2: Total Usage

Customers may purchase renewable energy RECs equal to their monthly usage each month at a price premium of 1.0 cent per billed kWh.

Option 3: Large Purchase Option

For purchases of 750 MWh or more per year, a tailored agreement may be developed based on individual Customer preference. Pricing and REC composition will be individually negotiated in a manner that ensures that the full cost of the REC contract is borne by the participating Customer(s).

MONTHLY BILLING

For a Customer who chooses Option 1, the monthly bill shall be the number of blocks the Customer has agreed to purchase multiplied by the Charge Per Block. For a Customer who chooses Option 2, the monthly bill shall be the Customer's usage, times the price premium per kWh. For a Customer who chooses Option 3, the bill shall reflect the terms of the tailored agreement. The monthly

~~bill is in addition to all other charges contained in the Customer's applicable tariff schedule. A non-customer participant who chooses Option 1, will be issued an monthly invoice that reflects their designated fixed dollar per month purchase amount.~~

PROGRAM ADMINISTRATION

No funds collected from the ~~Program Rider~~Clean Energy Your Way – Flexible option may be used for program administration (program management). A portion of the funds may be used to support program communications, participant outreach, and marketing.

QUALIFYING INITIATIVES

~~In an effort to promote local project development and build awareness of renewable energy, if available, funds collected from the Program Rider but not otherwise required to meet program obligations may be distributed to support renewable demonstration projects at schools located in Idaho Power's service area. Demonstration projects may include renewable generation systems, data monitoring, renewable energy curriculum, and teacher training.~~

SPECIAL TERMS AND CONDITIONS

~~Program participants may apply for, or terminate participation from, the Program anytime during the year. The Company may limit availability of the Program subject to available renewable power at the cost incurred under the terms described above.~~

~~No electric service disconnections will result in the event of non-payment of program commitments.~~

SCHEDULE 62
CLEAN ENERGY YOUR WAY
PROGRAM
(OPTIONAL)
(Continued)

SECTION 1: CLEAN ENERGY YOUR WAY – FLEXIBLE (Continued)

QUALIFYING INITIATIVES

In an effort to promote local project development and build awareness of renewable energy, if available, funds collected from the ~~Program Rider~~ **Clean Energy Your Way – Flexible option under REC Options 1 and 2** but not otherwise required to meet program obligations may be distributed to support renewable demonstration projects at schools located in Idaho Power's service area. Demonstration projects may include renewable generation systems, data monitoring, renewable energy curriculum, and teacher training.

SPECIAL TERMS AND CONDITIONS

Program participants **under Options 1 and 2** may apply for, or terminate participation from, the ~~Program~~ **Clean Energy Your Way – Flexible offering** anytime during the year. **Participants under Option 3 will be subject to the terms of the individually negotiated contracts.** The Company may limit availability of the Program subject to available ~~renewable power~~ **RECs** at the cost incurred under the terms described above.

No electric service disconnections will result in the event of non-payment of program commitments.

SECTION 2: CLEAN ENERGY YOUR WAY – CONSTRUCTION

APPLICABILITY

Clean Energy Your Way – Construction provides Schedule 19, Large Power Service, and Special Contract customers an option to buy energy sourced from new renewable projects connected within Idaho Power's service area and delivered through Idaho Power's transmission and distribution system. This offering is available to individual Customers at a single service point or multiple service points.

Provision of the Construction option is contingent upon Idaho Power and the participating Customer(s) entering into a Renewable Construction Agreement.

RESOURCE PROCUREMENT

REF procurement will be negotiated by Idaho Power, in consultation with the Customer. REF characteristics such as generation type and size, construction timing, location, and ownership structure may vary based on the individual needs of the participating Customer(s) and to ensure non-participating Customers are held harmless. Customer(s) pursuing the Construction option cannot request to size the REF greater than 110 percent of the participating service point(s) annual energy amounts. For purposes

of determining annual energy amounts, if available, the most recent 12 months of historical usage will be used. For new customers, annual energy amounts may be based on a forecast.

The Customer(s) will pay all costs associated with the REF, including but not limited to necessary studies related to resource acquisition, construction, and integration and interconnection of the resource with Idaho Power's system.

SCHEDULE 62
CLEAN ENERGY YOUR WAY
PROGRAM
(OPTIONAL)
(Continued)

SECTION 2: CLEAN ENERGY YOUR WAY – CONSTRUCTION (Continued)

CUSTOMER AGREEMENT AND BILLING STRUCTURE

For each billing period, Customer(s) shall incur or receive the following charges/credits:

1. A participating Customer(s)' Service Charge, Billing Demand, On-Peak Billing Demand, Basic Load Capacity, and other monthly charges will be charged at the standard rates, charges, and fees associated with the Customer's applicable service schedule;
2. Net Consumption shall be charged at the standard rates, charges, and fees associated with the Customer's applicable service schedule;
3. The REF On-Site Usage for Special Contract customers shall be charged at a rate in their respective service schedule and the REF On-Site Usage for Schedule 19 Customers shall be charged as follows:

<u>Time Period</u>	<u>Fixed Cost Component of the Retail Energy Charge, per kWh</u>		
	<u>Secondary Service</u>	<u>Primary Service</u>	<u>Transmission Service</u>
<u>Summer On-Peak</u>	<u>3.5781 ¢</u>	<u>2.4573 ¢</u>	<u>2.3982 ¢</u>
<u>Summer Mid-Peak</u>	<u>2.2593 ¢</u>	<u>1.3899 ¢</u>	<u>1.3608 ¢</u>
<u>Summer Off-Peak</u>	<u>1.6952 ¢</u>	<u>0.9433 ¢</u>	<u>0.9192 ¢</u>
<u>Non-Summer Mid-Peak</u>	<u>1.9088 ¢</u>	<u>1.1522 ¢</u>	<u>1.1337 ¢</u>
<u>Non-Summer Off-Peak</u>	<u>1.3885 ¢</u>	<u>0.7380 ¢</u>	<u>0.7216 ¢</u>

4. Excess Generation shall be credited to the Customer at a rate contained in the Renewable Construction Agreement;
5. REF Cost as contained in the Renewable Construction Agreement; and,
6. REF Credit as contained in the Renewable Construction Agreement (if applicable).

REC OWNERSHIP AND ADDITIONAL REC PROCUREMENT

REC ownership will be negotiated on an individual Customer basis. A Customer may elect to take ownership of the REF's RECs or elect for Idaho Power to retain ownership and retire the RECs on the Customer's behalf.

If the REF generation does not meet 100 percent of the Customer(s)' consumption on a yearly basis, the Customer(s) may elect to enter into a separate REC purchase contract to cover the difference between REF generation and the Customer(s)' consumption. Any separate REC purchase agreement will be negotiated on a case-by-case basis.

SCHEDULE 62
CLEAN ENERGY YOUR WAY PROGRAM
(OPTIONAL)
(Continued)

SECTION 2: CLEAN ENERGY YOUR WAY – CONSTRUCTION (Continued)

TERMS AND CONDITIONS

Idaho Power shall have the right to select and reject Program participants at its sole discretion based on criteria Idaho Power considers necessary to ensure the effective operation of the Program.

The terms and term length of the Renewable Construction Agreement will be determined in a negotiation between Idaho Power and the Customer(s). The Renewable Construction Agreement will be subject to Commission approval.

The REF generation cannot be used to offset a Customer(s)' Basic Load Capacity, Billing Demand or On-Peak Billing Demand.

The Renewable Construction Agreement must include a Customer(s) financial guarantee to cover stranded REF costs in the event of Customer default, dissolution, and/or relocation. The guarantee amount will be negotiated between the Customer(s) and Idaho Power based on the value of the REF to ensure stranded costs are not shifted to non-participants.