

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 CLEAN )  
ENERGY YOUR WAY PROGRAM. )  
\_\_\_\_\_ )

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

ALISON WILLIAMS

1 Q. Please state your name, address, and present  
2 occupation.

3 A. My name is Alison Williams. My business  
4 address is 1221 West Idaho Street, Boise, Idaho 83702. I  
5 am employed by Idaho Power as the Regulatory Policy and  
6 Strategy Advisor.

7 Q. Please describe your educational background.

8 A. In June 2003, I received a Bachelor of Arts  
9 degree in Political Science from the University of  
10 California at Davis. In May 2009, I earned a Master of  
11 Public Policy degree with a concentration in energy and  
12 natural resource economics from the American University's  
13 School of Public Affairs in Washington, DC. In addition, I  
14 have attended the electric ratemaking courses "Basics:  
15 Practical Regulatory Training for the Electric Industry,"  
16 offered through New Mexico State University's Center for  
17 Public Utilities and the Edison Electric Institute's  
18 ("EEI") "Electric Rates Advanced Course," hosted by the  
19 University of Wisconsin Madison's Wisconsin Public Utility  
20 Institute.

21 Q. Please describe your work experience with  
22 Idaho Power Company.

23 A. I joined Idaho Power in December 2019. As  
24 the Regulatory Policy and Strategy Advisor, my primary

1 responsibilities include providing regulatory support and  
2 strategic guidance to business units on a variety of  
3 topics, including clean energy offerings, integrated  
4 resource planning, distribution system planning, large  
5 customer pricing, and energy and utility policy.

6 Prior to joining Idaho Power, I served as the Senior  
7 Director of State Energy and Regulatory Policy at EEI, the  
8 trade association for the nation's investor-owned electric  
9 utilities. Prior to EEI, I was the Vice President of Energy  
10 Services at Garten Rothkopf consulting, where I provided  
11 business strategy and economic consulting to electric  
12 utilities and companies in energy-intensive industries.

13 Additionally, I previously served as an analyst at  
14 the U.S. Department of Energy, conducting energy system  
15 modeling to advise on Department policy and budget  
16 decisions. Other work experience includes energy market  
17 financial analysis for Bloomberg Government, and energy and  
18 environmental research at the World Resources Institute and  
19 the Wilson Center, both located in Washington, DC.

20 Q. What does the Company request in this case?

21 A. The Company is requesting that the Idaho  
22 Public Utilities Commission ("Commission") authorize the  
23 modification of its tariff Schedule 62 - Green Energy  
24 Purchase Program Rider (Optional) ("Schedule 62") and

1 approve a regulatory framework for a future voluntary  
2 subscription-based green power service offering.

3           Specifically, the Company seeks approval to: (1)  
4 rename the existing Schedule 62 to the Clean Energy Your  
5 Way Program, (2) maintain and expand procurement options  
6 for the renewable energy certificate<sup>1</sup> ("REC") offering  
7 under the name Clean Energy Your Way - Flexible, (3)  
8 establish a regulatory framework for a future optional  
9 subscription green power service offering named Clean  
10 Energy Your Way - Subscription, (4) offer a tailored  
11 renewables option to the Company's largest customers  
12 (Special Contract and Schedule 19, Large Power Service)  
13 named Clean Energy Your Way - Construction, and (5)  
14 procure associated program renewable resources outside of  
15 the Commission's current competitive bidding procurement  
16 requirements.

17           The Company respectfully requests the Commission  
18 establish a schedule that could lead to approval of the  
19 elements proposed in this Application by April 2022.

20           Q.       What is the significance of receiving Company  
21 approval by April 2022?

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<sup>1</sup> The U.S. Environmental Protection Agency defines a renewable energy certificate 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>

1           A.       The Commission's approval to offer the  
2 proposed Clean Energy Your Way program is the first step in  
3 a multi-step process. New renewable resources will be  
4 required for implementation of both the Subscription and  
5 Construction offerings, and resource selection and  
6 construction will add 18 months or more to the date when  
7 customers can begin claiming renewable energy use.

8           Many of Idaho Power's customers have stated clean  
9 energy objectives—some with targets as early as 2025. Given  
10 the broad customer and stakeholder support for the  
11 offerings as described in my testimony, the Company  
12 believes its request for an April 2022 decision is a  
13 reasonable date that will keep the proposed offerings on  
14 track to deliver clean energy to customers in the desired  
15 timeframe.

16           Q.       How is your testimony organized?

17           A.       My testimony is organized as follows:

18           First, I provide the background on the factors  
19 leading to this filing, as well as history related to the  
20 Company's renewable energy activities. Second, I provide an  
21 overview of the customer outreach that ultimately informed  
22 the proposed new offerings. Third, I discuss the proposed  
23 modifications to the existing Schedule 62 offering, Clean  
24 Energy Your Way - Flexible. Lastly, I provide a detailed  
25 description of the two new proposed program offerings:

1 Clean Energy Your Way - Subscription and Clean Energy Your  
2 Way - Construction.

3 Q. Are you sponsoring any exhibits?

4 A. Yes. I am sponsoring the following exhibits:

- 5 • Exhibit No. 1 - Clean Energy Your Way -  
6 Subscription Proposed Program Parameters; and
- 7 • Exhibit No. 2 - Customer Bill Mock-up for Clean  
8 Energy Your Way - Subscription Participant.

9 **I. BACKGROUND**

10 Q. What led the Company to consider modifying and  
11 expanding the offerings under tariff Schedule 62?

12 A. As of January 2021, customers enrolled in the  
13 Company's existing Green Power Program have purchased  
14 355,393,513 kilowatt-hours ("kWh") of renewable energy  
15 through the program - the equivalent of avoiding 254,751  
16 tons of carbon dioxide or removing 45,733 cars from the  
17 road since the Program's inception 20 years ago, according  
18 to the U.S. Environmental Protection Agency's Greenhouse  
19 Gas Equivalencies Calculator.

20 While the Green Power Program has met many  
21 customer's needs to date, Idaho Power recognizes that  
22 customer preferences and desires have shifted in recent  
23 years, with a growing number of customers seeking  
24 additional clean energy offerings. In response to customer  
25 requests and feedback, and in consultation with individual

1 customers, Idaho Power set out to design a "menu" of clean  
2 energy offerings that would appeal to customers of all  
3 sizes and seeking a variety of clean energy objectives,  
4 while also holding non-participants harmless.

5 Q. How long has Idaho Power been working on  
6 developing new clean energy offerings for customers?

7 A. The Company has spent more than two years  
8 conducting customer and stakeholder outreach, as well as  
9 doing industry research, on new clean energy programs for  
10 customers. As a result of this research and engagement,  
11 Idaho Power has developed a three-pronged offering that  
12 builds off the successful foundation of the Green Power  
13 Program to include a new subscriber-based option and a  
14 tailored renewable energy offering for customers seeking  
15 renewable resources to accomplish their sustainability  
16 goals. To reflect the Company's new clean energy  
17 opportunities, Idaho Power proposes the name "Clean Energy  
18 Your Way" to house the three options: Clean Energy Your  
19 Way - Flexible (REC offering), Clean Energy Your Way -  
20 Subscription (individual subscriber offering), and Clean  
21 Energy Your Way - Construction (large customer offering).

22 Q. What has Idaho Power done to support and  
23 provide renewable energy options for its customers?

24 A. Idaho Power has long supported customers'  
25 individual goals and initiatives to achieve clean energy

1 offerings through efforts like the Green Power Program and  
2 the Company's 2017 Community Solar Pilot Program.

3           Additionally, in March 2019, Idaho Power enhanced  
4 its commitment to the customers and communities it serves  
5 by becoming one of the first investor-owned utilities to  
6 proactively establish a 100 percent clean energy goal by  
7 2045. Idaho Power's "Clean Today. Cleaner Tomorrow.®"  
8 initiative builds off the Company's foundation of clean  
9 energy—primarily attributable to its vast dispatchable  
10 hydropower network.<sup>2</sup> Background on these three efforts is  
11 offered below to provide additional background and context  
12 around Idaho Power's decision to develop new clean energy  
13 opportunities for customers.

14 **Green Power Program**

15           Q.       Please describe the history of the Green Power  
16 Program.

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

22           The program was initially designed to stimulate the  
23 demand of electricity generated from renewable resources.

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<sup>2</sup> 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/>



1 Now, 20 years since the program's launch, this demand has  
2 been realized, with an increasing number of customers  
3 seeking ways to meet clean energy objectives.

4 Q. How has the Company modified the Green Power  
5 Program since its original offering?

6 A. In an early version of the Green Power  
7 Program, customers specified the dollar amount they wished  
8 to add to their monthly electric bill to purchase renewable  
9 energy. In 2016, the Company modified its offering<sup>3</sup> to  
10 allow for either purchasing 100 kilowatt-hours (kWh)  
11 "blocks" of renewable energy or by purchasing amounts equal  
12 to 100 percent of a customer's monthly energy use. The  
13 Company also modified the Program to seek Green-e® Energy  
14 certification of RECs—an important certification to verify  
15 the attributes and ownership of RECs and marketing  
16 accuracy. Additionally, a large-quantity REC option was  
17 developed for business customers to purchase a customized  
18 REC portfolio supported by local wind, solar, hydro and  
19 geothermal projects.

20 Q. Does participation in the Green Power Program  
21 support additional renewable initiatives?

22 A. Yes. When customers support the Green Power  
23 Program, they also support the Solar 4R Schools education

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<sup>3</sup> *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).*

1 program. Solar 4R Schools is a grant program that awards  
2 schools (K-12) in Idaho Power's service area with a small  
3 solar array and energy education kits that can be  
4 incorporated into the school's curriculum. Grant  
5 recipients are chosen in part because they have  
6 demonstrated a commitment to energy education, energy  
7 efficiency, a broader dedication to sustainability, and the  
8 ability to involve their district and community. To date,  
9 the Solar 4R Schools component of the Green Power Program  
10 has awarded grants to 23 schools across 10 counties in  
11 Idaho with the following achievements:

- 12 • More than 7,700 Idaho students reached;
- 13 • More than 50 kilowatts ("kW") of solar  
14 panels installed at schools;
- 15 • 760 hours of training completed; and
- 16 • 152 teachers trained.

17 Q. Is the Company proposing any modifications to  
18 Solar 4R Schools?

19 A. Not at this time. Idaho Power's REC program  
20 will continue to support renewable demonstration projects  
21 at schools. Such renewable demonstration projects will  
22 remain exclusive to the Company's REC purchase offering.

23

1 **Community Solar Pilot Program**

2 Q. Please provide an overview of the Company's  
3 Community Solar Pilot Program ("Pilot Program" or "Pilot").

4 A. On June 22, 2016, in response to increasing  
5 customer interest in the Company developing a community  
6 solar program, Idaho Power filed an application with the  
7 Commission requesting approval of a new tariff Schedule 63,  
8 Community Solar Pilot Program. The Company proposed to  
9 build a 500 kW single-axis tracking community solar array  
10 in southeast Boise, to which Idaho Power customers could  
11 voluntarily subscribe to the generation output.

12 Parties to the case agreed to a settlement, which  
13 was ultimately approved by the Commission on October 31,  
14 2016. In Order No. 33638 approving the Settlement  
15 Stipulation, the Commission stated:

16 "The record demonstrates that  
17 there is great interest and enthusiasm  
18 for the Company's proposed Community  
19 Solar Pilot Program. The issues raised by  
20 the parties were valid concerns that  
21 touch on the viability of the project  
22 itself. We find that the resolutions  
23 reached in the Settlement Stipulation  
24 represent fair and reasonable  
25 compromises intended to help the proposed  
26 pilot program succeed. We further find  
27 that pilot programs such as that proposed  
28 here, on a small-scale, are valuable for  
29 learning what works and what does not, to  
30 inform future projects with similar  
31 offerings... finding that it is just, fair

1                   and reasonable, and in the public  
2                   interest.”<sup>4</sup>  
3

4                   Q.       Was the Pilot Program successful?

5                   A.       The Pilot was valuable as a learning  
6                   experience for Idaho Power. Although the Company marketed  
7                   it widely – including awareness marketing reaching all  
8                   customers and highly targeted approaches reaching customers  
9                   most likely to subscribe – the Pilot never achieved greater  
10                  than 15.3 percent enrollment. On February 1, 2019, the  
11                  Company requested to suspend the Pilot Program, citing  
12                  insufficient enrollment.<sup>5</sup>

13                  Q.       What did the Company learn about customer  
14                  preferences as a result of the Pilot?

15                  A.       In March 2017, six months after the Pilot  
16                  launched, Idaho Power surveyed customers<sup>6</sup> to solicit  
17                  feedback on the Pilot. Survey responders interested in  
18                  community solar listed the two main barriers to subscribing  
19                  as (1) the overall cost of the subscription and (2) concern

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<sup>4</sup> *In the Matter of Idaho Power Company’s Application to Approve New Tariff Schedule 63, A Community Solar Pilot Program*, Case No. IPC-E-16-14, Order No. 33638 at 10 (Oct 31, 2016).

<sup>5</sup> 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).

<sup>6</sup> 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.

1 that they may not recover the initial investment.  
2 Similarly, survey responders not interested in community  
3 solar listed the same two barriers as the main reasons they  
4 were not considering subscribing.

5       Additionally, the Company's Energy Advisors undertook  
6 a large effort to contact business customers about the  
7 potential to participate in the Pilot. They completed more  
8 than 300 one-on-one interactions, but only 1 percent of  
9 these customers said they were interested in the Pilot; the  
10 main reasons cited were Pilot costs.

11       Overall, the survey and business customer feedback  
12 revealed that the common concerns about the Pilot were the  
13 cost to participate and the return on investment. These  
14 financial considerations informed development of the  
15 proposed new clean energy offerings.

16 **Idaho Power's Clean Energy Goal**

17       Q.     What is the Company's clean energy goal?

18       A.     Idaho Power's "Clean Today. Cleaner  
19 Tomorrow.®" goal sets a target of 100 percent clean energy  
20 by 2045. This goal mirrors sentiments from Idaho Power's  
21 customers and communities that a cost-effective glide path  
22 toward clean energy is vital to reduce carbon emissions and  
23 a logical corporate approach given industry advancements

1 that make many renewable energy technologies more  
2 affordable.

3 Q. Is Idaho Power's clean energy goal consistent  
4 with least-cost, least-risk planning?

5 A. Yes. Idaho Power believes its 2045 goal is  
6 achievable without compromising the critical attributes of  
7 cost and reliable service the Company has delivered  
8 consistently throughout its 105-year history. Recent and  
9 planned milestones<sup>7</sup> toward achieving the 2045 goal while  
10 focusing on maintaining reliability and affordable prices  
11 for customers include:

- 12 • Exits from one coal-fired generating unit at Valmy  
13 in 2019 and the Boardman coal-fired power plant in  
14 2020, and strategic plans to move away from  
15 remaining coal-fired generation by 2030;
- 16 • Planned investments in solar, wind, and battery  
17 resources; and
- 18 • Expansion of clean energy pipelines such as the  
19 planned Boardman to Hemingway transmission line,  
20 which will facilitate the movement of clean energy  
21 resources throughout the Pacific Northwest.

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<sup>7</sup> Idaho Power Company's *Second Amended 2019 Integrated Resource Plan*,  
Case No. IPC-E-19-19 (Oct 2020).

1 Q. Does the Company's Clean Energy Goal align  
2 with customer views?

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

13 Q. Do Idaho Power customers' clean energy goals  
14 align with national clean energy trends?

15 A. Yes. Idaho Power customers are not alone in  
16 pursuing clean energy goals. Across the United States, 60  
17 percent of Fortune 500 companies and 76 percent of Fortune  
18 100 companies have established climate or energy-use  
19 targets to decrease their carbon footprint.<sup>8</sup> Entities such  
20 as the RE100,<sup>9</sup> Renewable Energy Buyer's Alliance,<sup>10</sup> and the  
21 U.S. Department of Energy's Clean Cities Coalition Network<sup>11</sup>

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<sup>8</sup> <https://www.worldwildlife.org/stories/fortune-500-companies-are-acting-on-the-climate-crisis-but-is-it-enough>

<sup>9</sup> <https://www.there100.org/>

<sup>10</sup> <https://rebuyers.org/>

<sup>11</sup> <https://cleancities.energy.gov/coalitions/>

1 provide a visible, public platform for companies and  
2 communities to hold themselves accountable in achieving  
3 aggressive targets on behalf of their customers,  
4 shareholders, key stakeholders, and constituents. Pursuing  
5 renewable energy or climate targets has become a widely  
6 expected corporate social responsibility pillar for many  
7 companies—both large and small.

8 Q. Are federal and state mandates driving Idaho  
9 Power's customers to adopt clean energy targets?

10 A. No. Despite the lack of a federal or state  
11 climate or renewables policies, Idaho businesses and  
12 municipalities are not immune from customer or constituent  
13 pressure or may simply have the desire to adopt  
14 sustainability goals. With this reality in mind, Idaho  
15 Power has worked with customers to leverage the tools at  
16 its disposal—namely, the existing Green Power Program.  
17 Several Idaho Power customers, including the Boise Co-op,<sup>12</sup>  
18 Bogus Basin,<sup>13</sup> POWER Engineers,<sup>14</sup> and Bigelow Tea,<sup>15</sup> have

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<sup>12</sup> <https://www.boise.coop/blog-recipes-1/boise-co-op-goes-100-renewable-686aw#:~:text=We%20are%20so%20excited%20to,here%20in%20the%20beautiful%20northwest.>

<sup>13</sup> <https://www.ktvb.com/article/news/local/bogus-basin-to-switch-to-100-percent-renewable-energy-in-2020/277-dd58d2c4-e401-4377-a4c8-0750b9a35f2c>

<sup>14</sup> <https://www.powereng.com/library/powers-idaho-offices-go-renewable>

<sup>15</sup> <https://bigelowteablog.com/2020/01/17/100-renewable-energy-100-bigelow-tea/>



1 publicly announced partnerships with Idaho Power to achieve  
2 their respective renewable energy targets.

3 Q. Do Idaho Power's customers need additional  
4 offerings to meet their clean energy targets beyond what  
5 the current Green Power REC purchase option provides?

6 A. Yes. The purchase of RECs is an acceptable  
7 strategy for many Idaho Power customers, but RECs do not  
8 meet the needs of all customers due to limited  
9 availability, lack of long-term commitment, and-critically-  
10 the inability of RECs to help customers achieve a "net new"  
11 resource to meet their renewable energy goals (i.e., so-  
12 called "additionality" of a new wind or solar resource that  
13 does not currently exist on Idaho Power's system).

14 Based on this feedback from customers and lessons  
15 learned from the Pilot Program, Idaho Power explored new  
16 clean energy offerings. In the section below, the Company  
17 details its customer and stakeholder outreach efforts, as  
18 well as the lessons learned, that informed the offerings  
19 proposed in this filing.

20 **II. CUSTOMER OUTREACH TO INFORM CLEAN ENERGY OFFERINGS**

21 Q. What prompted the Company to further  
22 investigate potential new clean energy offerings after  
23 suspension of the Pilot Program?

1           A.       During the past two years, Idaho Power focused  
2 efforts to better understand the needs of its customers  
3 interested in clean or renewable energy. The Company  
4 strategically sought input from three segments of  
5 customers: (1) customers who expressed interest in the  
6 Pilot Program; (2) existing Green Power Program customers,  
7 as well as customers who inquired but ultimately determined  
8 that RECs did not meet their needs; and (3) customers with  
9 established clean energy goals, renewable energy targets,  
10 and/or carbon reduction goals.

11           Q.       What was the result of the various customer  
12 outreach efforts?

13           A.       As a result of customer conversations, Idaho  
14 Power determined that customers are generally seeking the  
15 following attributes in expanded clean energy programs:  
16 broader availability of offerings that work for small and  
17 large businesses alike; longer and shorter-term renewable  
18 energy opportunities; and access to new renewable resources  
19 that they can count toward specified renewable or  
20 sustainability objectives.

21           More specifically, the key themes from Idaho Power's  
22 customer conversations can be summarized as follows:

- 23           • **Accessibility:** Customers of all sizes—from  
24 residential to large industrial—should be able to  
25 access expanded clean energy offerings.

- 1           • **Additionality:** Expanded clean energy offerings  
2           should focus on new resources to Idaho Power's  
3           system.
- 4           • **Affordability:** Clean energy offerings must be  
5           available at an affordable cost.
- 6           • **Flexibility:** Customers would like to tailor clean  
7           energy offerings to fit their needs, including the  
8           possibility of leveraging multiple programs to  
9           achieve corporate clean energy goals.

10           Q.       Were there additional considerations for  
11 expanded program offerings?

12           A.       Yes. Timing is also an important  
13 consideration, as several Idaho Power customers have  
14 established 100 percent clean or renewable energy goals  
15 that they hope to achieve in the 2023-2024 timeframe. One  
16 specific example is a public goal stated by the City of  
17 Boise, which outlined a strategy in the *Boise's Energy*  
18 *Future*<sup>16</sup> plan to achieve 100 percent clean energy for city-  
19 owned facilities by 2030, and 100 percent clean energy for  
20 all residents of the City of Boise by 2035. In both cases,  
21 the City of Boise is seeking solutions—including from Idaho  
22 Power—to accelerate those timelines. Another Idaho Power

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<sup>16</sup> <https://www.cityofboise.org/departments/public-works/boises-energy-future/>

1 customer, Micron Technology, Inc., has established a goal  
2 for 100 percent renewable energy across its U.S.  
3 manufacturing operations by 2025.<sup>17</sup>

4 Q. Did Idaho Power conduct any industry research  
5 on clean energy programs offered by other utilities?

6 A. Yes. The Company conducted an extensive review  
7 of existing clean energy offerings by utilities across the  
8 country, including successful customer programs in  
9 Washington, Oregon, Utah, Colorado, Virginia, Kentucky,  
10 Florida, and Georgia.

11 The Company also consulted with EEI and their State  
12 Regulatory Affairs and National Customer Accounts  
13 departments to better understand the electric industry  
14 landscape for customer clean energy programs.

15 Q. How did the Company use customer feedback and  
16 industry research to inform its proposed offerings?

17 A. Using general and specific suggestions from  
18 customers, Idaho Power drafted two new options: a  
19 subscription-style green tariff and a more detailed option  
20 for large customers looking for new renewable resources.

21 The design of both new offerings was informed by  
22 successful programs in other jurisdictions, notably Puget

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<sup>17</sup> <https://www.globenewswire.com/en/news-release/2021/04/22/2215178/14450/en/Micron-s-Sixth-Annual-Sustainability-Report-Highlights-Progress-on-Goals-and-Unwavering-Commitment-to-Innovation-and-Advancing-Society.html>

1 Sound Energy's Green Direct,<sup>18</sup> Xcel Colorado's  
2 Solar\*Connect,<sup>19</sup> and Kentucky Utilities ("KU")/Louisville Gas  
3 & Electric's ("LG&E") joint Renewable Power Agreement.<sup>20</sup>

4           These utility customer programs all qualify as green  
5 tariffs but have important programmatic distinctions. Idaho  
6 Power leveraged these successful examples and "mix-and-  
7 matched" elements to design a comprehensive set of  
8 offerings that will serve the needs of Idaho Power's  
9 customers.

10           For example, Xcel Colorado's subscription-based  
11 program allows residential participation, while Puget  
12 Sound's program does not. Based on customer feedback and to  
13 appeal to Pilot Program participants, Idaho Power allows  
14 residential participation in its proposed subscription  
15 offering (detailed in the Application and below in the  
16 Subscription section of this testimony).

17           KU/LG&E's program is not a subscription-based  
18 offering but a tailored renewables solution for their large  
19 utility customers to purchase energy from a renewable  
20 resource that delivers energy through the utilities'  
21 transmission and distribution system. Idaho Power looked

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<sup>18</sup> 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.

<sup>19</sup> 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.

<sup>20</sup> <https://lge-ku.com/renewable-power-agreement>

1 closely at this model to inform its own large-customer  
2 offering (detailed in the Application and below in the  
3 Construction section of this testimony).

4 After developing straw program proposals, Idaho  
5 Power sought input and feedback from Commission Staff  
6 ("Staff") and other stakeholders.

7 **Commission Staff Meeting**

8 Q. When did the Company meet with Staff and what  
9 was the result of that conversation?

10 A. Idaho Power met with Staff on June 2, 2021, to  
11 present the conceptual framework of the expanded clean  
12 energy offering. In this conversation, Staff asked several  
13 important questions that enabled Idaho Power to further  
14 refine the program details. With respect to the  
15 Subscription option, Staff was interested in how Idaho  
16 Power would determine the size and cost of the new  
17 renewable resource to meet the level of customer interest  
18 and if the Subscription option would be self-supporting  
19 (i.e., not shift costs to non-participating customers).  
20 These details are addressed below in the Subscription  
21 section of my testimony.

22 With respect to the large customer option, Staff was  
23 primarily interested in understanding the mechanics of the  
24 pricing structure. Additionally, Staff wanted to understand  
25 how Idaho Power perceived the benefits the new resource(s)

1 would bring to Idaho Power's system as a whole and is  
2 addressed in the Construction section below.

3 **Stakeholder Workshop**

4 Q. How did Idaho Power seek feedback on the draft  
5 clean energy offerings from other stakeholders?

6 A. On July 7, 2021, Idaho Power held a virtual  
7 workshop with many of the Company's key stakeholders to  
8 present the conceptual framework of the expanded clean  
9 energy offerings. Participants in the workshop included  
10 Staff, Idaho Conservation League, Sierra Club, Clean Energy  
11 Opportunities of Idaho, Northwest Energy Coalition,  
12 Industrial Customers of Idaho Power, City of Boise, City of  
13 Hailey, and Boise State University.

14 Q. What feedback did the Company receive from the  
15 stakeholder meeting?

16 A. Stakeholders offered widespread support and  
17 reemphasized the need for affordable clean energy programs  
18 that could be accessed by all customer classes—from  
19 residential to large industrial. Specific questions were  
20 asked about ensuring equitable access to program offerings,  
21 potential carve-outs for certain customers, and the  
22 potential for low-income support. Additionally,  
23 participants asked details about the Subscription option's  
24 potential resource (e.g., type, size) and asked when

1 detailed pricing would be available. These questions are  
2 addressed in the Subscription section below.

3 **III. NEW PROGRAM NAME: CLEAN ENERGY YOUR WAY**

4 Q. Why is the Company requesting to re-name the  
5 Green Power Program?

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

12 The umbrella term of Clean Energy Your Way is  
13 intended to communicate Idaho Power's existing and proposed  
14 new offerings. Additionally, the name change better aligns  
15 with Idaho Power's "Clean Today. Cleaner Tomorrow.®" goal.  
16 Consistent naming and terminology will allow customers and  
17 stakeholders to clearly connect the Company's clean energy  
18 goal and its associated programmatic activities and connect  
19 it to their own clean energy objectives.

20 Q. Is the Company requesting additional changes  
21 beyond the rebrand of the current program?

22 A. Yes. Specifically, Idaho Power is asking for  
23 approval to change the following: (1) rename Schedule 62  
24 Green Energy Purchase Program Rider (Optional) to Schedule  
25 62 Clean Energy Your Way (Optional), (2) rename the Green



1 Power Program to Clean Energy Your Way - Flexible, and (3)  
2 add the Clean Energy Your Way - Construction offering to  
3 Schedule 62. These proposed tariff changes are included as  
4 Attachment 1 to the Application.

5 As described more fully below, the Company also  
6 seeks to establish a regulatory framework for a future  
7 Clean Energy Your Way - Subscription option. While many  
8 elements of this offering cannot be determined before a  
9 program resource is identified, the Company seeks to  
10 establish a general regulatory framework for the offering.  
11 This framework includes the transaction structure for  
12 participating customers and the parameters under which  
13 Idaho Power would offer the program to customers. As such,  
14 Idaho Power does not propose any Subscription option tariff  
15 language at this stage. Rather, the Company offers a  
16 description of program elements in Exhibit No. 1.

17 Q. Does the Company's request align with the  
18 feedback from Staff and Stakeholders and address the demand  
19 for expanded program options?

20 A. Yes. The Company is confident that this new  
21 "menu" of options under the Clean Energy Your Way banner  
22 meets the needs of customers with clean energy goals and  
23 will offer at least one option for every interested  
24 customer.

1 Q. Will Idaho Power's customers be allowed to  
2 select multiple options to meet their energy objectives?

3 A. Yes. Idaho Power envisions that customers on  
4 multiple service schedules and/or with more than one  
5 account would be allowed to combine participation in these  
6 programs to accomplish their clean energy objectives.  
7 Customers most likely to seek participation in multiple  
8 Clean Energy Your Way offerings are Idaho Power's larger  
9 customers—for example, a municipality with multiple  
10 Schedule 19 accounts and smaller commercial accounts, and  
11 potentially many residential accounts. A customer such as  
12 this could assign different accounts to different programs:  
13 participate in Clean Energy Your Way - Flexible for RECs  
14 for some accounts, subscribe other accounts to Clean Energy  
15 Your Way - Subscription, and work with Idaho Power to  
16 develop a new renewable resource under Clean Energy Your  
17 Way - Construction for Schedule 19 accounts.

18 **IV. CLEAN ENERGY YOUR WAY - FLEXIBLE**

19 Q. What is the Clean Energy Your Way - Flexible  
20 offering?

21 A. As proposed by Idaho Power, Clean Energy Your  
22 Way - Flexible will entirely replace the current Green  
23 Power Program. Importantly, however, the only significant  
24 change is the program name. From the customer's  
25 perspective, the program will continue to operate as it

1 has, and current participants will remain enrolled without  
2 any modifications.

3 Q. If approved, will Idaho Power alert customers  
4 to these program changes?

5 A. Yes. Upon Commission approval, Idaho Power  
6 will update all marketing and program materials, replacing  
7 all references to the Green Power Program with Clean Energy  
8 Your Way - Flexible. The Company will then inform and  
9 educate existing and prospective customers of the change.

10 Q. Is the Company requesting any additional  
11 changes to this offering?

12 A. Yes. In addition to the name change, Idaho  
13 Power requests additional authority to purchase RECs to  
14 keep up with demand and to satisfy customers with near-term  
15 clean energy goals that can be met with small amounts of  
16 RECs.

17 Q. Why does Idaho Power require additional  
18 authority to purchase RECs for customers beyond the RECs  
19 generated from resources connected to Idaho Power's system?

20 A. Idaho Power anticipates limited availability  
21 of its RECs in the near future, based on demand. Rather  
22 than turn away interested customers, Idaho Power requests  
23 the authority to purchase RECs on customers' behalf or  
24 purchase RECs that may become available with attractive  
25 pricing.

1 Idaho Power's REC transactions are governed by a  
2 plan that is filed with the Commission. The Company's  
3 current REC request offers the opportunity to clarify REC  
4 transactions in the context of optional customer renewable  
5 energy offerings and their associated accounting treatment.

6 **REC Management Plan History**

7 Q. Please provide a brief history of the  
8 Company's REC Management Plan.

9 A. On June 11, 2010, the Commission issued Order  
10 No. 32002 approving Idaho Power's REC Management Plan  
11 ("Management Plan"), which governs the sale and proceeds of  
12 Idaho Power-owned RECs.<sup>21</sup> Then, on June 6, 2011, the Company  
13 filed a letter advising the Commission of a change in  
14 market conditions that required the Company to commit to  
15 selling a portion of its available RECs for up to a five-  
16 year period. Prior to the letter, the Company had limited  
17 its REC transactions to agreements with a maximum term of  
18 two years.

19 Since 2011, Idaho Power has executed REC  
20 transactions according to the Management Plan, under which  
21 the Company sells RECs in the near-term and returns the  
22 customers' share of the proceeds through the power cost  
23 adjustment ("PCA") mechanism.

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<sup>21</sup> *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).

1 Q. What type of expanded REC procurement is Idaho  
2 Power proposing?

3 A. Over the past year, the Company has identified  
4 two ways in which Idaho Power could better serve customers  
5 seeking RECs. These two customer-focused opportunities  
6 included a limited bulk purchase of RECs and individual  
7 procurement of RECs on behalf of customers. Both of these  
8 purchase options are detailed below, with discussion of  
9 their relationship to the Management Plan.

10 **Limited Bulk Purchase Option**

11 Q. What is the Limited Bulk Purchase option?

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

17 Purchasing RECs in advance (in small bulk  
18 quantities, rather than in individual quantities with each  
19 new customer request) will result in a more efficient and  
20 cost-effective process for Idaho Power and customers.

21 Q. Who will pay for any advanced-purchased RECs?

22 A. The Company will purchase the RECs and sell them  
23 to customers at cost, plus any transaction fees, meaning  
24 there will be no net proceeds to pass through to the PCA.

1           In the event the Company cannot find a willing  
2 purchaser for some or all of the RECs, Idaho Power will  
3 record the unsold amounts as a charge to the Company's  
4 Operations & Maintenance expense.

5           Q.     Does the Company intend to limit these type of  
6 REC purchases?

7           A.     Yes. The Company would limit advanced bulk REC  
8 purchases to \$5,000 at any given time and not execute a new  
9 bulk purchase until the prior batch was fully sold. Idaho  
10 Power is confident that demand exists to sell this amount  
11 of RECs to interested parties.

12    **REC "Sleeve" Option**

13           Q.     What is the REC "sleeve" option?

14           A.     In addition to the request above, Idaho Power  
15 seeks the authority to serve as a "sleeve" for REC  
16 transactions with customers—that is, connect customers to  
17 non-Idaho Power REC purchase options. The Company would  
18 like the ability to continue working holistically with  
19 customers on their clean energy goals, rather than refer  
20 them to another party or outside energy advisor.

21           Q.     Why would Idaho Power need to serve as a  
22 "sleeve" for REC transactions?

23           A.     While the Company will prioritize the sale of  
24 its own RECs, there are some circumstances in which Idaho  
25 Power's RECs do not meet the needs of customers. Such

1 instances include, but are not limited to, a customer  
2 needing Green-e® certification for RECs or desiring a  
3 certain price or type of REC that Idaho Power cannot  
4 provide with its own supply.

5 Q. How will Idaho Power facilitate these  
6 transactions?

7 A. As Idaho Power envisions this arrangement, the  
8 transactions would work exactly in the manner described  
9 above—the Company would purchase RECs and sell them at cost  
10 to an individual customer, thereby creating no proceeds to  
11 pass through the PCA. Unlike the bulk option describe  
12 above, there would be no unsold RECs as the Company would  
13 only procure the amount of RECs the customer would  
14 purchase.

15 Q. Do the requested changes impact the REC  
16 Management Plan?

17 A. No, they do not. These intended REC  
18 transactions fall outside of the provisions of both the  
19 Company's REC Management Plan and existing Schedule 62, the  
20 Company seeks Commission approval for this new practice but  
21 does not propose any other modifications or changes to the  
22 existing program or governing documents.

1 V. FRAMEWORK FOR A FUTURE CLEAN ENERGY YOUR WAY -

2 SUBSCRIPTION OPTION

3 Q. Why is the Company proposing to offer a  
4 subscription-based option?

5 A. Through customer conversations, Idaho Power  
6 identified that a subscription-style green tariff offering  
7 would be a desirable option. Many customers specifically  
8 asked for a program that would provide additionality (that  
9 is, a new renewable resource) in an easy, streamlined, and  
10 accessible manner.

11 Q. Are subscription green tariff offerings common  
12 in the utility industry?

13 A. Yes. Subscription green tariff offerings have  
14 been successfully designed, implemented, and operated by  
15 electric utilities across the United States. As noted  
16 earlier, Idaho Power focused its subscription-based green  
17 tariff research on two nearby success stories: Xcel  
18 Colorado's Solar\*Connect<sup>22</sup> and Puget Sound Energy's Green  
19 Direct.<sup>23</sup> These programs, both fully subscribed upon  
20 implementation, demonstrate that subscription-based clean  
21 energy programs are effective offerings for customers.

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<sup>22</sup> 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.

<sup>23</sup> 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.



1 Q. Did Idaho Power review existing green tariff  
2 offerings and select elements most suited to its customers'  
3 needs?

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

10 Q. Why is the Company only proposing a framework  
11 and not a fully fleshed-out program for the Subscription  
12 offering?

13 A. The Clean Energy Your Way - Subscription  
14 offering will require a new renewable resource or resources  
15 to serve participants. Idaho Power did not wish to seek a  
16 resource before receiving Commission approval to offer such  
17 a program.

18 Instead, the Company proposes a two-phase process  
19 for the Subscription offering - an initial phase (the  
20 current request) to offer a voluntary subscription-based  
21 program, and secondary phase that will launch upon approval  
22 of the first. Under this two-phase approach, the  
23 Subscription would not be available to participants until  
24 the conclusion of a separate and subsequent proceeding  
25 addressing the resource procurement, resource cost, cost

1 allocation, and any other required regulatory accounting  
2 and necessary cost recovery mechanisms.

3 **Two-Phase Commission Approval Process**

4 Q. Why is the Company proposing a two-phase  
5 approval process for the Subscription option?

6 A. In a subscription green tariff construct,  
7 customers "subscribe" to a portion of output from a new  
8 renewable resource on a utility's system. But to offer such  
9 a program, a utility needs to have a resource selected and  
10 pricing determined. Idaho Power believes the sequence of  
11 activities is important for the Subscription and,  
12 consistent with the processes in other jurisdictions,  
13 supports a two-phase process to guide the offering from  
14 proposal to Commission approval of the program pricing.

15 Q. What is the Company's request in each approval  
16 phase?

17 A. In Phase I, Idaho Power seeks authority to  
18 offer a voluntary subscription option. Included for  
19 approval are the foundational concepts of program structure  
20 and design, described below and in Exhibit No. 1.

21 In Phase II, and upon Commission approval to offer  
22 Clean Energy Your Way - Subscription, Idaho Power would  
23 seek a Subscription-dedicated resource. Resource selection  
24 would involve determining the resource type, size, and  
25 location. Once a resource is identified, Idaho Power would

1 propose specific subscription pricing under the structure  
2 approved in Phase I and return to the Commission for  
3 approval of those program elements and associated tariff  
4 changes.

5 Q. How does the Company propose procuring a  
6 resource for the Subscription offering?

7 A. Upon Commission approval to offer the  
8 Subscription, the Company intends to work with developers  
9 to identify a resource that would best meet the specific  
10 needs of the Subscription program. Idaho Power would like  
11 to identify a resource expeditiously and, therefore,  
12 requests the ability to waive competitive resource  
13 procurement requirements.

14 Q. What are the current Commission requirements  
15 regarding competitive resource procurement?

16 A. In 2010, the Commission initiated a case<sup>24</sup>  
17 seeking to establish competitive bidding guidelines for the  
18 procurement process used to acquire supply-side resources  
19 by Idaho Power. In 2013, the Commission closed this case  
20 without establishing Idaho-specific resource procurement  
21 guidelines, but rather directed Idaho Power to follow the  
22 Request for Proposals ("RFP") guidelines applicable in its  
23 Oregon service area. The Oregon RFP guidelines to which

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<sup>24</sup> *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).*

1 the Commission referred were later codified into the  
2 administrative rules of the OPUC. OAR 860-089-0010 *et*.  
3 *seq.* ("OPUC Resource Procurement Rules").

4 The OPUC Resource Procurement Rules impose  
5 competitive bidding requirements upon an electric utility  
6 for the "acquisition of a resource or a contract for more  
7 than an aggregate of 80 megawatts and five years in  
8 length," among other requirements. OAR 860-089-0100(1)(a).

9 Q. Does the Company believe the Commission should  
10 require Idaho Power to follow the OPUC Resource Procurement  
11 Rules for renewable resources procured for the purpose of  
12 serving customers under the Subscription option?

13 A. No. The resource, or resources, procured for  
14 this program will be acquired for the sole purpose of  
15 implementing this optional service offering. This is not to  
16 suggest that Idaho Power would not apply a competitive  
17 procurement process in this instance. Rather, the Company  
18 envisions a competitive process would be applied - just not  
19 the specific process required under OPUC Resource  
20 Procurement Rules. It is Idaho Power's expectation that the  
21 Commission would review the associated procurement process  
22 as part of Phase II, as described above.

23 Q. If the Commission were to grant Idaho Power's  
24 request for relief from the OPUC Resource Procurement Rules  
25 in this instance, what assurance would non-participating

1 customers have that such a resource, or resources, will not  
2 inappropriately shift costs to them?

3 A. As part of Phase II, Idaho Power expects that  
4 it would not only make a showing to the Commission that the  
5 program resource was competitively procured, but also that  
6 the cost of such a resource will not negatively impact the  
7 rates of non-participating customers.

8 Q. Will the Commission and other interested  
9 stakeholders have an opportunity to weigh in on program  
10 resources and pricing?

11 A. Yes. Under the two-phase approach, all  
12 resource and other costs, financial analysis, program  
13 accounting treatment, and customer pricing would be  
14 determined in the second filing, as these details are not  
15 possible to establish absent a known resource. Stakeholders  
16 would have ample opportunity to provide input on program  
17 pricing and accounting during the second phase.

18 **Subscription Option Terms and Conditions**

19 Q. What are the basic program design components  
20 of the Subscription?

21 A. The basic design elements of the Subscription  
22 offering address subscriber eligibility, subscription size,  
23 subscription term length, treatment of associated RECs,  
24 customer agreement, and program pricing elements  
25 (categories rather than specific pricing values).

1 Q. Who is eligible for the Subscription program?

2 A. The Clean Energy Your Way - Subscription  
3 offering would be a voluntary subscription-based program  
4 open to all of Idaho Power's customer classes, from  
5 residential to Special Contracts. However, given the size  
6 of Idaho Power's largest customers relative to the  
7 generation output of a likely renewable resource, Idaho  
8 Power proposes an individual customer cap of 15 percent of  
9 program capacity. This eligibility cap is to preserve  
10 equitable access to the program by ensuring that no one  
11 customer can absorb more than 15 percent of program  
12 availability.

13 Q. How would subscription sizes be determined?

14 A. Idaho Power proposes basing individual  
15 subscription size on a customer's average prior year energy  
16 use in kWh. Customers without a complete year of history  
17 with Idaho Power would be subscribed to an amount informed  
18 by their usage history at the point of program sign up. New  
19 customers with no billing history would be assigned a  
20 subscription size based on their expected energy use.

21 For additional flexibility, customers would be able  
22 to sign up for the subscription at 50 or 100 percent of  
23 their average prior year energy use.

24 Q. What are the proposed term lengths for  
25 participation?

1           A.       Idaho Power proposes multiple term lengths.  
2 Residential customers would be offered a month-to-month  
3 subscriber option. Residential and all other classes of  
4 customers could also subscribe to terms of 5 years, 10  
5 years, or 20 years.

6           Q.       How will RECs generated from the Subscription  
7 resource be treated?

8           A.       To reflect the renewable attributes of  
9 Subscription participation, Idaho Power will retain and  
10 retire subscription resource RECs. Different REC treatment  
11 would be considered on a case-by-case basis at the request  
12 of individual customers.

13          Q.       Will customers be required to sign a  
14 commitment as part of the Subscription program?

15          A.       Yes. All participating customers will be  
16 required to sign a participant agreement, which will detail  
17 terms, conditions, and obligations of the customer. The  
18 customer agreement will provide details with respect to  
19 subscription transfer, roll-over, and early termination. A  
20 proposed customer agreement will be included in the phase  
21 II filing.

22          Q.       How does Idaho Power propose pricing the  
23 Subscription program for participants?

24          A.       As noted earlier, Idaho Power will not propose  
25 actual resource pricing for the Subscription offering until

1 the program is approved by the Commission and a resource is  
2 identified. However, the Company does propose the following  
3 program price elements:

4           • **Program Charge:** A subscriber's charge would be  
5 made up of four elements -- (1) cost of the  
6 resource (\$/kWh); (2) integration charges  
7 associated with the resource; (3)  
8 administration and marketing costs to advertise  
9 and maintain the offering; and (4) a term  
10 adjustment charge applied in tiers to shorter-  
11 term (month-to-month, 5-year, and 10-year)  
12 subscribers. As anchor tenants of the program,  
13 full-term (20-year) subscribers would not pay a  
14 term adjustment charge.

15           • **Program Credit:** For the value that the specific  
16 resource would bring to Idaho Power's system,  
17 subscribers would receive a credit for both  
18 energy and capacity of the program resource.

19           Q.       What is the purpose of the term adjustment  
20 charge referenced above?

21           A.       In considering relative program costs and  
22 risks, Idaho Power identified that shorter-term subscribers  
23 add a small amount of risk to the program's long-term  
24 viability. Month-to-month, 5- or 10-year subscribers may  
25 exit the program before the envisioned program end date. To



1 correct for this subscriber risk, the Company proposes a  
2 term adjustment charge that would be applied in tiers  
3 relative to subscriber level—from largest for month-to-  
4 month to smallest for 10-year terms. This charge would be  
5 used in part to cover any unexpected under-collection of  
6 program costs due to early customer exit from the  
7 Subscription and also used to fund ongoing advertising and  
8 marketing to keep the program fully subscribed over time.

9 In contrast, subscribers to the full 20-year term  
10 would not pay any additional charge. These customers pose  
11 no additional risk, as their anchor tenancy provides full  
12 program stability.

13 Q. How will a customer's monthly bill change by  
14 participating in the Subscription Option?

15 A. Customers of the Subscription offering would  
16 continue to pay all standard rates and charges associated  
17 with their rate schedule(s). The Subscription would be an  
18 add-on to the customer bill, with five new line items, as  
19 illustrated in the bill mock-up attached to this  
20 Application as Exhibit No. 2: (1) Program name; (2)  
21 Subscriber amount (in kWh), (3) Subscriber charge amount;  
22 (4) Subscriber credit amount, and (5) total (or net) charge  
23 (subscriber charge less subscriber credit).

1           Q.     What level of enrollment is necessary for the  
2 Subscription option to move forward with resource  
3 procurement?

4           A.     Based on expressed customer interest, Idaho  
5 Power believes it can fully subscribe the offering as  
6 described above with a resource of 50-100 megawatts. If  
7 customer demand exceeds what the first Subscription  
8 resource can provide, Idaho Power would consider seeking  
9 approval for a second Subscription offering.

10           However, in the unexpected event that the Company  
11 cannot fully subscribe the program, Idaho Power proposes to  
12 dispatch any unsubscribed renewable generation to its  
13 system with the costs included in broader customer rates  
14 and/or the PCA mechanism. Idaho Power intends to make a  
15 showing in Phase II that any unsubscribed energy cost  
16 resulting from the Subscription would be assigned to non-  
17 participating customer as a cost at, or below, reasonable  
18 avoided cost. The Company considers inability to fully  
19 subscribe the program a low probability outcome, but one  
20 that would not harm the broader customer base. Considering  
21 Idaho Power's capacity deficit<sup>25</sup> occurs before 2028, any

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<sup>25</sup> *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).

1 unsubscribed portions of energy from the Subscription  
2 resource could be a helpful contribution to meeting Idaho  
3 Power's capacity needs.

4           Additionally, Idaho Power proposes that the RECs  
5 associated with any unsubscribed portions of the  
6 Subscription resource would be treated in a manner  
7 consistent with the REC Management Plan - that is, sold to  
8 interested parties with sale proceeds passing through the  
9 PCA to benefit all customers.

10                           **VI. CLEAN ENERGY YOUR WAY - CONSTRUCTION**

11           Q.       How did the Company decide to offer a large-  
12 customer renewable option?

13           A.       In addition to the Flexible and Subscription  
14 offerings, Idaho Power identified the need for a tailored  
15 renewable option for its largest customers—specifically,  
16 Schedule 19 and Special Contracts. While Idaho Power  
17 believes it can work with its existing or future Special  
18 Contract customers to integrate a renewable offering into  
19 their service agreements with the Company, it does not  
20 currently have the ability to extend these kinds of  
21 agreements to Schedule 19 customers. As a result, Idaho  
22 Power's request of the Commission is to allow equal  
23 opportunity to the Construction option for Special Contract  
24 and Schedule 19 customers alike.

1 Q. How is the Construction offering different  
2 than the Subscription option?

3 A. In simple terms, Clean Energy Your Way -  
4 Construction offers large customers a tailored way to cover  
5 100 percent of their energy use with a new renewable  
6 resource(s). Logistically, the Construction option works  
7 by reconciling a customer's energy use against the  
8 generation of a renewable resource (or resources) on an  
9 hourly basis.

10 As detailed in the modified Schedule 62, the Company  
11 requests approval from the Commission to offer the  
12 Construction arrangement to both Schedule 19 and Special  
13 Contract customers under a broad framework with consistent  
14 mechanics and pricing structure.

15 Q. What are the basic program design components  
16 of the Construction Option?

17 A. Under the proposed Construction arrangement,  
18 eligible customers would have the ability to work with  
19 Idaho Power to select a renewable resource(s), including  
20 providing input on the type, size, and location.

21 Construction resources must connect to Idaho Power as  
22 system resources, and customers may claim the renewable  
23 attributes. RECs will be retained and retired by Idaho  
24 Power, unless the customer has specific REC accounting  
25 requirements. The Company would work with customers on a

1 case-by-case basis if alternative REC accounting were  
2 requested.

3 Q. Why does the resource need to be connected to  
4 Idaho Power as a system resource?

5 A. The resource must connect to Idaho Power's  
6 system to allow for accurate metering to measure the new  
7 cost and benefit streams envisioned for the Construction  
8 offering.

9 Q. How will the monthly billing work under the  
10 Construction offering?

11 A. Unlike the Subscription, the Construction  
12 offering would impact a customer's existing rate structure  
13 by creating new cost and benefit streams resulting from the  
14 renewable resource(s).

15 Q. Please elaborate on the functional dynamics of  
16 the Construction offering.

17 A. The Company proposes the following consistent  
18 dynamics in each Construction arrangement:

- 19 • When the renewable resource is not generating (for  
20 example, a solar resource does not generate  
21 electricity at nighttime), the customer continues  
22 to take service from Idaho Power at their standard  
23 rates. (This amount is defined as Net Consumption  
24 in Attachment 1 to the Application ("Attachment  
25 1").)

- 1           • When the resource is generating, the customer pays  
2           for all the generation output at an agreed-upon  
3           price. (Renewable Energy Facilities ("REF") Cost in  
4           Attachment 1.)
- 5           • For the value the resource brings to Idaho Power's  
6           system, the Company credits the customer at an  
7           agreed-upon, Commission-approved value. (REF  
8           Credit in Attachment 1.)
- 9           • In any given hour, if the renewable generation  
10          exceeds the customer's energy use, Idaho Power  
11          credits the customer for that excess at a  
12          negotiated value. (Excess Generation in Attachment  
13          1.)
- 14          • The customer continues to pay all fixed costs in  
15          their energy rate (REF On-Site Usage in Attachment  
16          1), as well as standard rates, charges, and fees  
17          (e.g., franchise fees) for fully bundled service  
18          provided by Idaho Power.

19          Q.       What does the REF On-Site Usage capture?

20          A.       The REF On-Site Usage quantifies the amount of  
21          energy generated by the renewable resource that, for billing  
22          purposes, will offset the amount of energy subject to the  
23          Customer's standard service rates.

1           Q.       What is the significance of the REF On-Site  
2 Usage?

3           A.       Historically, customers have relied on Idaho  
4 Power to provide for all their energy needs. The volumetric  
5 rates charged for energy have reflected this arrangement and  
6 have been "bundled" to include the variable costs associated  
7 with producing energy (variable costs) and some of the costs  
8 associated with the Company's obligation to maintain an  
9 interconnected network of power plants, transmission  
10 poles/wires, substations, and distribution poles/wires  
11 necessary to balance the supply of and demand for electricity  
12 in its service area (fixed costs).

13           Under a Construction arrangement, the principles of  
14 fully bundled service are altered to accommodate a new  
15 renewable resource, the pricing of which is determined  
16 independent of Idaho Power's costs to serve customers. If the  
17 standard service cost of energy paid by the customer is  
18 "traded" in the Construction option for the cost of the  
19 renewable resource's energy, then the customer avoids payment  
20 for the fixed costs within their volumetric energy rate.

21           The REF On-Site Usage captures the amount of energy  
22 consumed by the customer for which fixed costs are not being  
23 collected.

1 Q. For Construction arrangements, how does the  
2 Company propose to structure billing to ensure adequate  
3 customer payment for cost of service, including fixed costs?

4 A. A customer with Construction arrangement will  
5 be billed as follows: (1) the customer's metered usage will  
6 be assessed the Service, Billing Demand, On-Peak Billing  
7 Demand, and Basic Load Capacity charges from their applicable  
8 service schedule, (2) the customer's Net Consumption will be  
9 assessed the energy rates from their applicable service  
10 schedule, and (3) the REF On-Site Usage will be assessed the  
11 charge outlined in Schedule 62 associated with their  
12 applicable service schedule.

13 Q. How is the charge for the REF On-Site Usage  
14 calculated?

15 A. The methodology for determining the rate to be  
16 applied to the REF On-Site Usage is based on reducing the  
17 volumetric rates by the Company's embedded energy-related  
18 costs. These embedded energy-related costs were determined by  
19 the cost-of-service methodology most recently reviewed by the  
20 Commission<sup>26</sup> and have been adjusted to reflect revenue  
21 requirement changes that impact the authorized level of  
22 energy-related cost recovery. The fixed costs in the energy

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<sup>26</sup> *In the Matter of the Application of Idaho Power Company for Authority to Increase its Rates and Charges for Electric Service in Idaho*, Case No. IPC-E-11-08, Order No. 32426 (Dec 30, 2011).



1 rate were calculated by removing the embedded energy-related  
2 costs from the fully bundled energy charges.

3 Q. Why is it appropriate to assess the fixed cost  
4 charge against the REF On-Site Usage?

5 A. The charge is necessary to ensure that  
6 customers continue to pay their costs of service. If fixed  
7 costs were not accounted for in Construction arrangements,  
8 the Construction customer(s) would underpay for their  
9 service, which may ultimately shift those costs to non-  
10 participants. Idaho Power has designed the Construction  
11 offering to ensure that non-participants are held harmless,  
12 making the fixed cost charge for REF On-Site Usage a critical  
13 component for inclusion in all Construction agreements.

14 Q. Does the Company envision identical contracts  
15 for customers who opt for the Construction Option?

16 A. No. Idaho Power envisions that the rates  
17 resulting from each Construction arrangement would be  
18 approved by the Commission on a case-by-case basis. The  
19 Company's largest customers have vastly different  
20 businesses, energy use patterns, demand for energy, and  
21 clean energy objectives. As such, the Construction option  
22 must be broad enough to allow for tailored customer  
23 solutions.

1           Q.       Does the Company contemplate possible  
2 alternate Construction arrangements beyond one customer and  
3 one resource?

4           A.       Yes. One such alternate arrangement might  
5 involve multiple customers joining together under one  
6 Construction agreement to achieve resource economies of  
7 scale. Another tailored arrangement could involve Idaho  
8 Power working with a customer to develop more than one  
9 resource (e.g., two solar facilities, or both a solar and  
10 wind facility). Several customers have already expressed a  
11 desire to work with Idaho Power on tailored Construction  
12 solutions with other customers and/or multiple resources.

13          Q.       Is Idaho Power also requesting relief from the  
14 OPUC Resource Procurement Rules for renewable resources  
15 procured for the sole purpose of supporting each  
16 Construction agreement?

17          A.       Yes. As with the Subscription offering, the  
18 resource, or resources, procured for the Construction  
19 offering will be acquired for the sole purpose of serving  
20 the customer or customers under a Construction arrangement.  
21 It is Idaho Power's expectation that the Commission would  
22 review the procurement process and associated resource cost  
23 assignment as part of each Construction arrangement prior  
24 to approval.

1 Q. If the contracts are not identical, how will  
2 the Company ensure non-participants are held harmless?

3 A. Each Construction arrangement will include a  
4 no-harm revenue requirement analysis to ensure that non-  
5 participants are held harmless from the arrangement.  
6 Additionally, individual Commission approval ensures that  
7 each arrangement is evaluated and approved on its own  
8 merits.

9 **V. CONCLUSION**

10 Q. Please summarize your testimony.

11 A. Although the Green Power Program has met many  
12 customer's needs to date, a growing number of Idaho Power's  
13 customers are seeking additional clean energy options. In  
14 consultation with individual customers, and based on  
15 industry research, Idaho Power has designed a "menu" of  
16 clean energy options to appeal to customers of all sizes  
17 and different clean energy objectives.

18 Idaho Power has developed a three-pronged offering  
19 that builds off the successful foundation of the Green  
20 Power Program to include a new subscriber-based option and  
21 a tailored renewable energy offering for customers seeking  
22 new renewable resources to accomplish their sustainability  
23 goals. To reflect the Company's new clean energy  
24 opportunities, Idaho Power proposes the program name  
25 "Clean Energy Your Way" to house the three options: Clean

1 Energy Your Way - Flexible (REC option), Clean Energy Your  
2 Way - Subscription (individual subscriber option), and  
3 Clean Energy Your Way - Construction (large customer  
4 option). These offerings are voluntary, designed to meet  
5 the needs of customers with clean energy goals, and  
6 developed with precautions that hold non-participants  
7 harmless.

8 Specifically, the Company is requesting approval to  
9 (1) rename and expand the existing Schedule 62 to the  
10 Clean Energy Your Way Program, (2) maintain and expand  
11 procurement options for the REC program under the name  
12 Clean Energy Your Way - Flexible, (3) establish a  
13 regulatory framework for a future voluntary subscription  
14 green power service offering named Clean Energy Your Way -  
15 Subscription, 4) offer a tailored renewables offering to  
16 the Company's largest customers (Special Contract and  
17 Schedule 19) named Clean Energy Your Way - Construction,  
18 and 5) procure associated program renewable resources  
19 outside of the Commission's current competitive  
20 procurement requirements.

21 Idaho Power's proposed offerings and target  
22 timeframes were developed to be responsive to customers'  
23 sustainability goals, some of which are as early as 2025.  
24 With customer needs in mind, the Company respectfully

1 requests the Commission establish a schedule that could  
2 lead to approval of the elements proposed by April 2022.

3 Q. Does this complete your testimony?

4 A. Yes, it does.



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

**IDAHO POWER COMPANY**

**WILLIAMS, DI  
TESTIMONY**

**EXHIBIT 1**

## EXHIBIT 1

### Clean Energy Your Way – Subscription: Proposed Program Parameters

Idaho Power's Clean Energy Your Way - Subscription will allow customers of any size to participate and receive both the energy and Renewable Energy Certificates ("RECs") from a new and dedicated renewable resource on Idaho Power's system. Participation in this program is voluntary and is in addition to a customer's existing electric service schedule. While the specific values for the various billing components will be determined in a subsequent filing made with the Idaho Public Utilities Commission ("Commission"), the general program design and a summary of the charges and credits is provided below.

#### Subscription Offering Design

Resource and Project Size. It is anticipated that the initial project under the Subscription option will be 50-100 MW, depending on initial participation interest. Following Commission approval to offer the Subscription program, Idaho Power will seek a resource to serve the program.

Participation and Eligibility. The Subscription program is open to Residential, Small General Service, Large General Service, Large Power Service, Agricultural Irrigation Service, and Special Contract customers receiving service under Idaho Rate Schedules: 01, 05, 07, 09, 19, 24, 26, 29, and 30. Participation is optional and will result in additional charges.

Customer Subscriptions. Program participants may elect to subscribe to an expected annual production of 50 or 100 percent of their usage based on the prior 12 months of average energy usage (on a kWh basis). Customers with less than 12-months' history as an Idaho Power customer will be assessed on the average of their prior months of energy use or an approximated amount based on the customer's rate class. 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.

RECs. Idaho Power will retain and retire RECs and all other environmental attributes including but not limited to carbon emission reduction credits. Different REC treatment would be considered on a case-by-case basis at the request of individual customers.

Enrollment. Following Commission approval to offer the voluntary program and approval of a resource with specific pricing, Idaho Power will market the Subscription offering and announce a sign-up schedule. Residential customers will be allowed a six-week early sign-up period, during which other customer classes will not be allowed to subscribe. Following the residential sign-up window, Subscription sign-up will be opened to all other customers in blocks based on the resource size. Once one "block" is subscribed, Idaho Power will open the next block, giving customers notice in advance of each new subscriber block option.

Term Length. Month-to-month (for Residential only), 5-year, 10-year, and 20-year.

Customer Agreement. Customers will be required to sign a binding agreement to enroll in the Subscription program. The agreement will address the terms and conditions of the customer's subscription commitment and specify customer obligations in the event of early exit from the program relative to the customer's term length.

Customer Billing. The Schedule 62 – Subscription rates are in addition to all charges under the Customer's existing Electric Service Schedule. A participant's electric bill will include five new line items: (1) the name



of the program (Clean Energy Your Way – Subscription); (2) subscriber amount (in kWh), (3) subscriber charge amount, (4) subscriber credit amount, and (5) net cost (subscriber charge less subscriber credit).

#### Program Charge and Credit

Specific program pricing will be proposed based on resource identification and finalized upon approval by the IPUC. Program charge and credit components will be based on:

- *Resource Cost (\$/kWh)*
- *Resource-specific Integration Charges*
- *Program Administration and Marketing*
- *Short-Term Adjustment Charge* – A small risk-based fee added to customers on month-to-month, 5-year, and 10-year terms. The adjustment charge would be highest for month-to-month customers, less for 5-year subscribers, and less still for 10-year subscribers.

#### Credits

- *Energy Credit*
- *Capacity Credit*

The program credit is not to exceed the program charge.

#### Unsubscribed Energy

In the event that Idaho Power could not fully enroll the Subscription offering, any unsubscribed energy from the renewable resource would be dispatched to Idaho Power's system with the cost of the resource included in broader customer rates and/or the PCA mechanism. The RECs associated with any unsubscribed energy would be treated in a manner consistent with the Company's REC Management Plan with the proceeds from REC sales passing through the PCA to benefit all customers.

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

**IDAHO POWER COMPANY**

**WILLIAMS, DI  
TESTIMONY**

**EXHIBIT 2**



An IDACORP Company

PAGE 1 OF 2

Billing Date 07/30/2021  
Print Date 07/31/2021

**Due Date**  
**08/16/2021**

**Amount Due**  
**\$389.46**

**CLEAN ENERGY**

**Account Number: 222222222**

Previous Balance	\$219.90
Payments Received - Thank You	- \$219.90
Balance Forward	\$0.00
Current Charges	\$389.46
<b>Account Balance</b>	<b>\$389.46</b>

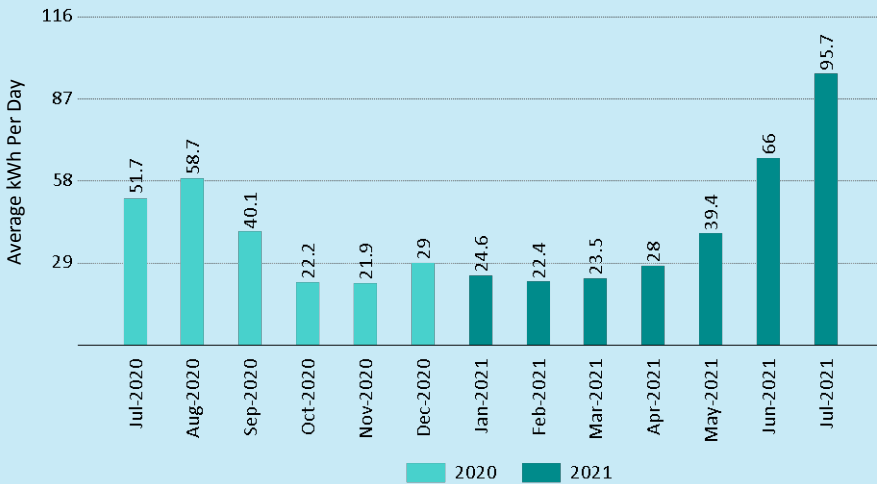
**Sign up for My Account!**

Access your account 24/7 to pay your bill, track your use and learn to save. Visit [idahopower.com/myaccount](http://idahopower.com/myaccount) to get started.



**NOTE:** Any unpaid balance may be assessed a monthly charge of 1 percent.

**Average Daily Energy Use for 12115 W STILL DR / BOISE, ID**



PLEASE DETACH AND RETURN BOTTOM PORTION WITH YOUR PAYMENT



An IDACORP Company

P.O. BOX 70, BOISE, ID 83707  
208-388-2323



Address/Phone Correction and/or Project Share Pledge noted on reverse side

Account Number 222222222

**Due Date**  
**08/16/2021**

**Amount Due**  
**\$389.46**

Amount Enclosed \$ \_\_\_\_\_

Write your account number on your check or money order made payable to **Idaho Power**. Mail payment to address below. Returned checks may be resubmitted electronically, and remaining unpaid items will be charged \$20.

CLEAN ENERGY  
12115 W STILL DR  
BOISE ID 83713-6648



PROCESSING CENTER  
P.O. BOX 5381  
CAROL STREAM IL 60197-5381

000000000 000038746 0730 3

Service Agreement Number	0032833333	Service Period	06/26/21 - 07/28/21 (33 days)
Service Address	12115 W STILL DR / BOISE, ID	Next Read Date	08/27/2021
		Description	NA

Meter Number	Previous Reading	Current Reading	Energy Used (kWh)	Reading Type
66566666	10775	13936	3,161	Regular

**SERVICE DETAILS (Residential Standard Plan Schedule 01)**

Service Charge	\$5.00
Summer Energy Charge 800 kWh @ \$0.085005 per kWh	\$68.00
Summer Energy Charge 1,200 kWh @ \$0.102214 per kWh	\$122.66
Summer Energy Charge 1,161 kWh @ \$0.121424 per kWh	\$140.97
Power Cost Adjustment	\$23.93
Fixed Cost Adjustment	\$22.15
Franchise Fee 1.50% Paid to Your City	\$5.74
Energy Efficiency Services	\$10.44
Federal Columbia River Benefits Supplied by BPA	- \$11.43
<b>Clean Energy Your Way-Subscription</b>	
Subscriber amount	XXX kWh
Participant Program Charge (Subscriber amount kWh x Program Charge/kWh)	\$A.AA
Participant Program Credit (Subscriber amount kWh x Program Credit/kWh)	\$B.BB
Total Participant Charge (\$A.AA-\$B.BB)	\$C.CC
<b>Current Charges - Electric Service</b>	<b>\$389.46</b>

**NOTE:** For an explanation of these charges, go to [idahopower.com/billglossary](http://idahopower.com/billglossary).

kWh = Kilowatt-hour

**Moving?** Contact your Customer Care team at least two business days before you want to end service.

**NEW CONTACT INFORMATION** FOR ACCOUNT NUMBER 222222222  
 Has your address, phone number or email changed? Provide changes below.

Name \_\_\_\_\_

Street \_\_\_\_\_ Apt./Suite \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_

Email \_\_\_\_\_

**Project Share** 



Help neighbors in need with energy costs.

- I pledge \$ \_\_\_\_\_ on my monthly bill.
- Round up my monthly bill amount to the nearest dollar.
- I would like to make a one-time donation of \$ \_\_\_\_\_

For more information, visit [idahopower.com/projectshare](http://idahopower.com/projectshare).

**Thank you!**