

DECISION MEMORANDUM

**TO: COMMISSIONER ANDERSON
COMMISSIONER LODGE
COMMISSIONER HAMMOND
COMMISSION SECRETARY
LEGAL**

**FROM: MICHAEL LOUIS
DAYN HARDIE**

DATE: SEPTEMBER 14, 2023

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

BACKGROUND

On December 2, 2021, Idaho Power Company (“Company”) filed its Application to Expand Optional Customer Clean Energy Offerings Through the Clean Energy Your Way Program (“Application”). The Application requested authority to expand its optional clean energy offerings. The Company seeks to (1) rename the existing Schedule 62—Green Power Purchase Program Rider (optional) to Clean Energy Your Way (“CEYW”); (2) maintain and expand procurement options for the renewable energy certificate (“REC”) offering under the name CEYW-Flexible; (3) establish a regulatory framework for a future voluntary subscription green power service offering named CEYW-Subscription; (4) offer a tailored renewables option to the Company’s largest customers (Special Contracts and Large Power Service) named CEYW-Construction; and (5) procure associated program renewable resources outside the Commission’s current competitive bidding requirements.

On January 31, 2022, the Commission issued a Notice of Application and Notice of Intervention Deadline. Order No. 35304. The Commission granted intervention to the Industrial Customers of Idaho Power (“ICIP”), Idaho Conservation League (“ICL”), Clean Energy Opportunities (“CEO”), City of Boise City (“Boise City”), and Walmart Inc. (“Walmart”). See Order Nos. 35285, 35301, 35311, and 35320. On March 9, 2022, the Commission issued a Notice of Modified Procedure establishing public comment and Company reply deadlines.

Order No. 35338. The Commission Staff (“Staff”), CEO, Boise City, ICL, and Walmart filed comments to which the Company replied. The Commission also received 31 public comments.

On August 15, 2023, the Commission issued Final Order No. 35893 approving the Company’s Application subject to several modifications and requirements.

On August 30, 2023, the Company submitted a Compliance Filing to update the Schedule 62 Tariff included in its Application revising the Fixed Cost Component of the Retail Energy Charge and to change the definition of Renewable Energy Facility (“REF”) On-Site Usage to be line-loss adjusted.

STAFF REVIEW

Staff reviewed the Company’s revised Schedule 62 submitted in its Compliance Filing and determined that the proposed modifications to the Schedule 62 that was included in the Application were necessary and accurate. Although Commission Order No. 35893 did not require a compliance filing to implement the modifications and requirements in the Order, there was a base rate change through Commission Order No. 35423 that went into effect after the Company submitted its original Application. The base rate change required the Company to recalculate the rates for the Fixed Cost Component of the Retail Energy Charge for Schedule 19. In addition, the Company revised the definition of Renewable Energy Facility (“REF”) On-Site Usage to be line-loss adjusted.

The Fixed Cost Component of the Retail Energy Charge is designed to offset the impact to capacity-related cost recovery that partially occurs through a CEYW-Construction customer’s volumetric rate. Because of a base rate change authorized in Order No. 35423, which occurred after the Company filed its Application, the Company needed to update the rates for the charges to coincide with the now current base rates. Staff reviewed the updated rates and determined they were calculated correctly.

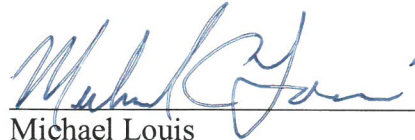
The Company also updated the definition of Renewable Energy Facility (“REF”) On-Site Usage to make clear that REF generation amounts need to be line-loss adjusted. This will ensure that REF generation can be accurately netted from the CEYW-Construction customer’s consumption.

STAFF RECOMMENDATION

Staff recommends that the revised Schedule 62 be authorized by the Commission.

COMMISSION DECISION

Does the Commission wish to approve the revised Schedule 62 as filed with an effective date of August 15, 2023?



Michael Louis
Engineering Program Manager

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