

April 27, 2022

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

Re: Case No. IPC-E-22-12 - In The Matter Of Clean Energy Opportunities For Idaho's Petition For An Order To Modify The Schedule 84 100kW Cap & To Establish A Transition Guideline For Changes To Schedule 84 Export Credit Compensation Values

Dear Ms. Noriyki:

Enclosed for electronic filing pursuant to Order No. 35058, is Clean Energy Opportunities for Idaho's Petition in the above-entitled matter. Thank you for your assistance, and please do not hesitate to contact me with any questions.

Sincerely,

Kelsey Jae

Attorney for CEO

Enclosures

Kelsey Jae (ISB No. 7899)
Law for Conscious Leadership
920 N. Clover Dr.
Boise, ID 83703
Phone: (208) 391-2961
kelsey@kelseyjae.com
Attorney for Clean Energy Opportunities for Idaho

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF CLEAN)
ENERGY OPPORTUNITIES FOR)
IDAHO'S PETITION FOR AN)
ORDER TO MODIFY THE) CASE NO. IPC-E-22-12
SCHEDULE 84 100kW CAP & TO)
ESTABLISH A TRANSITION) PETITION
GUIDELINE FOR CHANGES TO)
SCHEDULE 84 EXPORT CREDIT	
COMPENSATION VALUES	

Clean Energy Opportunities for Idaho ("CEO"), in accordance with Rule of Procedure ("Rule") 53 and the applicable provisions of Idaho Code including Idaho Code §§ 61-503 and 61-507, hereby respectfully requests that the Idaho Public Utilities Commission ("Commission") issue an Order that: (1) modifies the project eligibility cap for Schedule 84 customers to 100% of a customer's maximum demand; and (2) establishes a Transition Guideline that improves predictability and stability of rates by setting a limit to the pace at which the compensation for excess energy may change for Schedule 84 customers if and when an Export Credit Rate ("ECR") is implemented. CEO further requests that this Order be issued by October 31, 2022.

While it is most common for a utility to request to modify a tariff or create a regulatory timeline, CEO files this Petition believing that the public interest requires a more expedited

schedule for installation of solar generation under Schedule 84 than Idaho Power Company ("the Company" or "Idaho Power") may be motivated to seek.

CEO recognizes the need for the Commission to balance the interests of the Company with that of its customers. In light of the imminent capacity shortfalls Idaho Power revealed in its application under IPC-E-21-41, CEO believes that better enabling irrigators to make informed investments in on-site generation during this fiscal year is an exceptional win-win-win opportunity for Idaho growers, Idaho Power, and the public interest.

The Company is seeking to expeditiously add generation resources. The Company may seek to recover those costs and earn a return via increased revenues collected from ratepayers.

CEO asserts it is fair and reasonable that Commercial, Industrial, and Irrigator ("CI&I") customers:

1) should not be compelled to purchase all electricity requirements from the Company when they could produce some or all of their requirements themselves; 2) should not be unnecessarily impeded from managing their own electricity costs; and 3) should be allowed opportunity to mitigate the impacts of future cost additions by investing in technologies such as solar. But to do so requires removing two impediments that, absent this filing, is not likely to occur in time for investment decisions by CI&I customers in 2022.

I. Background

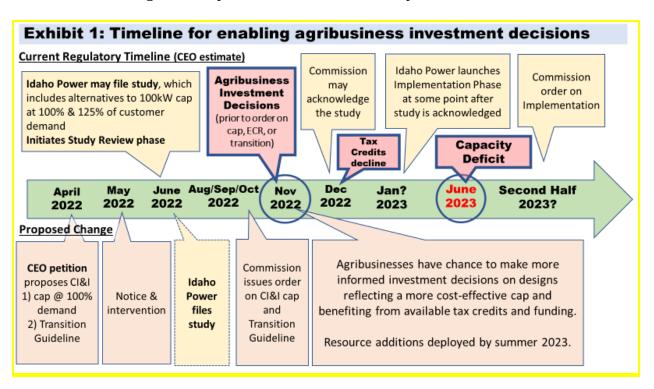
- CEO is an Idaho non-profit corporation whose principal place of business is 3778
 Plantation River Drive, Suite 102, Boise, Idaho, 83703.
- 2. CEO was founded with a mission to craft and advance solutions which create value, decarbonize energy, and serve the long-term interest of Idahoans.

3. On December 3, 2021, three days after the comment period closed in the IPC-E-21-21 self-generation docket, Idaho Power filed IPC-E-21-41 and publicly announced that its first forecast capacity shortfall had moved up five years to Summer 2023. The first capacity shortfall moved so dramatically nearer that the Company acknowledged that it is likely to need "any generation that can be developed and brought online in time to meet these deficits." *See* Company Response to IdahoHydro Motion at 8.

II. A New Docket Is The Appropriate Format For This Request

- 4. Agribusinesses typically make large investment decisions in the fall, after the harvest, when cash flow and tax exposures are more clear. Without the relief CEO requests, there will not be time for agribusinesses to make adequately informed on-site generation investment decisions in Fall 2022 which could help address the Summer 2023 and future capacity shortfalls. Further delay may harm CI&I customers because tax incentives associated with solar energy investments decline in 2023; businesses with fluctuating incomes may be in a better position to take advantage of tax incentives in 2022 rather than future years.
- 5. Order 35284 (IPC-E-21-21) instructs the Company to complete a study of the cost and benefits of net excess generation (the "Study"). After submission of the Study, there will be a Study Review phase for the public to comment on whether the Study sufficiently addressed their concerns and to share their opinions on what the Study shows. The Study and Study Review phase will take an indeterminate amount of time, and the Study is not anticipated to request an immediate implementation of changes to net metering. As stated in the IPC-E-21-21 Application at 8, "Absent the Commission establishing a different process, the Company anticipates making a request to implement any potential changes to

- the net metering rate design, compensation structure, or ECR after the Commission acknowledges a study."
- 6. For the two matters related to CI&I customers addressed herein, this Petition requests that the Commission establish an expedited process. By initiating a regulatory procedure now so these matters can be noticed, the Commission could be in a position to issue an order implementing a change to the 100kW cap and establishing a CI&I Transition Guideline after the Company files its Study and before the Fall 2022 deadline for investment decisions by agribusinesses.
- 7. **Exhibit 1** provides an estimate by CEO of the current regulatory timeline and the opportunity afforded by this Petition to address the two narrow requests in this Petition while allowing the other processes to move forward in parallel:



- 8. CEO asserts that fairness and the public interest require the Commission to address impediments to customer self-generation on a timeline that is more expeditious than would occur in the absence of this filing.
- 9. The Company has not previously demonstrated timely initiative in addressing CI&I customer concerns related to Schedule 84 over the long series of customer self-generation related dockets, which are discussed in detail in Attachment 2. Continued delays are possible in the absence of this filing.
- 10. This Petition seeks two new policies based upon the urgent need to meet the pending capacity shortfall in Summer 2023, which has not been addressed in any previous Order of the Commission. In the most recent docket on self-generation (IPC-E-21-21), plans regarding future studies of self-generation were developed without public knowledge that the Company's system would experience capacity shortfalls in Summer 2023 instead of 2028. The matters addressed by this Petition are therefore part of a new fact pattern and merit a new substantive analysis than what was addressed in Order 35284.
- 11. In Order 35284, one issue was whether the Company's study should include the pros and cons of increasing the project eligibility cap. The Commission stated, "We find that a separate docket is not necessary to study these items. The Company has the necessary data and expertise to provide a thorough evaluation of the 25 kW and 100 kW predetermined caps through this study. We also find it reasonable to expand the analysis at 125% of customers' demand. "Order 35284 at 25. The Order did not prohibit a separate docket to *implement* a new cap, as is proposed in this Petition. Furthermore, the record upon which the Order was based was not informed by the capacity deficits disclosed by the Company

in IPC-E-21-41. CEO believes this change in capacity circumstances have created a need to accelerate the implementation of a higher cap for Schedule 84 customers.

III. <u>Increasing The Project Eligibility Cap And Establishing A Transition Guideline Will Balance The Needs Of The Company And Customers And Is In The Public Interest.</u>

- 12. Given that Idaho Power is in urgent need of any generation that can be developed, it is a fundamental issue of fairness and public interest to allow CI&I customers who wish to avail themselves of Schedule 84 to be a part of that solution to this imminent capacity shortfall, and to allow CI&I customers timely opportunity to invest in technologies such as solar in order to manage their own electricity costs and remain competitive in their respective markets.
- 13. Substantial numbers of comments provided by Idaho Power irrigation customers assert that they could install solar generation, and thereby assist in reducing the anticipated capacity shortfall, if certain impediments to such generation were addressed. (See <u>Attachment 3</u>).
- 14. In contrast to allowing irrigation customers to be part of the solution to the imminent capacity shortfall, in IPC-E-21-41, Idaho Power asserts that the Company should be the primary, if not the sole, provider of generation resources asking the Commission to affirm that: "the interests of the customers are best served by a vertically integrated electric utility maintaining ownership of the necessary generation, transmission and distribution utility functions, with limited exceptions." IPC-E-21-41, Application at 34.
- 15. Basic economic motivations imbue monopoly suppliers with inherent biases against competition, whether from independent power producers or customer self-generators. And, the financial incentive for investor-owned utilities to create shareholder value clashes with

- the customers' interest in meeting some or all of their energy requirements by harnessing solar energy falling on the customers' property. The case history extensively detailed in Attachment 2 summarizes the long history of matters relating to self-generation.
- 16. Conditions in the utility industry generally are now changing very fast (as demonstrated by the Company's abrupt modification of its forecasted first capacity shortfalls as an example). As an alternative to sole reliance on Company investments, the willingness of CI&I customers to invest in self-generation, which off-sets summer month customer consumption, should be viewed as one of multiple resource opportunities for mitigating the imminent resource deficiencies Idaho Power is forecasting by next summer.
- 17. Traditionally, the Company has effectively controlled the pace at which matters are resolved by being the sole source of applications/petitions at the Commission. This implicit ability of the Company to control the sequence and schedule in which issues are reviewed can work against the fairness to customers and the public interest. The Company's control over process schedules, combined with the financial disincentive to enable customer-owned generation, can harm all customers when the regulatory process does not enable timely development of customer-owned resources which mitigate cost additions by the utility.
- 18. Idaho Power's 2021 IRP calls for additions of substantial amounts of new solar generation and batteries in the near term. To the extent that some willing and able customers can install additional solar generation in the 2023-2025 period, all customers have the potential to benefit from the offsetting reduction of solar capacity that the Company would otherwise need to build or purchase.

19. PUC Staff has explicitly noted the potential for irrigators to play a part in deferring the need for additional generation resources:

Staff notes that secondary level irrigation customers account for approximately 23% of summer peak demand, so any reduction in Irrigator's demand could help defer the need for future generation and transmission plant. PUC Staff, IPC-E-18-16 comments 1/21/2020 at 19.

- 20. CEO believes that fairness and a balancing of Company and customer interests requires that customer self-generation, particularly and especially from CI&I customers who wish to participate under Schedule 84, should be harnessed to help meet the imminent capacity deficits.
- 21. CEO asserts that more CI&I customers would invest in self-generation in the near term if:

 (1) the 100kW project eligibility cap was changed to 100% of a customer's maximum demand; and (2) there was a clear Transition Guideline providing better predictability and stability of rates by setting a limit to the pace at which the compensation for excess energy may change during the implementation of potential changes to export credit compensation.
- 22. The 100kW cap is a constraint impeding "nearly all" irrigation net metering projects:
 - Within the last two years, nearly all of the active or pending irrigation net metering customers in 2018 and 2019 have installed or requested to install, on average, 99 kW systems to comply with the 100-kW limit at an individual meter point. Idaho Power, IPC-E-19-15 Application at 6.
- 23. The 100kW cap reduces the cost-effectiveness of customer-owned generation. For irrigators, the low cap does not align with the requirements of irrigation pumps. The 100kW cap may force the design to call for numerous 100kW installations in order to achieve the customer's goal for offsetting consumption and/or limit the customer from offsetting their consumption if unable to meet aggregation criteria. Requiring numerous

- sites merely to comply with the project eligibility cap adds significant costs and installation challenges.
- 24. The record of comments in IPC-E-21-21 provides evidence that agribusinesses value access to customer-owned generation yet are discouraged from investing by the lack of "sideboards" to help parameterize the risks of regulatory changes to net metering (see **Attachment 3**).
- 25. The comments by agribusinesses in IPC-E-20-26 include acknowledgements that rates are not contracts and that rates can change. The commenters indicate a need for guidance on the *range of risks* in order to model investment decisions. Modeling risk is a standard practice for successful businesses. The Company, for example, models a range of potential changes to fuel prices when evaluating resource investments. Regulatory risks are difficult to predict in the absence of stability or guidance from the regulatory body. This Petition seeks an Order establishing a Transition Guideline that will enable CI&I customers to incorporate a more finite *range of potential export values* over the coming years into scenario modeling and thereby enable more informed investment decisions this fall to assist in resolving the Summer 2023 capacity deficits. Secondly, enabling more informed decisions allows customers greater agency in managing their own electricity costs.
- 26. This Petition requests an Order establishing the following Transition Guideline:
 - a. For 2023 and 2024, the credit received by Schedule 84 customers for net excess generation (exports) will be not less than the current 1:1 kWh credit or a Blended Base Energy Rate. The Blended Base Energy Rate, which represents an average retail rate, is equal to the total revenue to be collected through the base energy

- charges for each respective class divided by the total forecasted annual energy for each respective class (as defined in IPC-E-18-15 Settlement Agreement at 4).
- b. Starting in 2025, if an Order has been issued to implement a change in the value at which exports are credited for Schedule 84 customers to be different than the current 1:1 kWh credit, and if that value is lower than a 1:1 kWh credit or the Blended Base Energy Rate, then the value at which exports are credited would decline by no more than 15% in 2025 and by no more than 15% over each subsequent two-year period until the value is at the level of the export credit value determined to be most current at that time.
- 27. The Transition Guideline requested provides CI&I customers better ability to model a range of risks associated with future export credit rates yet allows latitude for different transition plans: The Commission may ultimately order that exports be credited at a financial value per kWh exported or a ratio of kWhs exported to kWhs credited. The Commission may order that the export credit value changes more or less often than every two years. The Commission may later order a more gradual glide path to transition to a new program.
- 28. For illustration purposes, if the Blended Base Energy Rate for Irrigators were equal to 5.45 cents (the Segment 2 Secondary Service in-season rate), exports might be credited as follows depending on whether an order were issued to credit exports at a financial value, to change the value each year or each 2 years, or to credit at a kWh ratio:

Table 1: Illustrative transition rates

	2023	2024	2025	2026	2027	2028
If \$ credit rate updated each 2 years	5.45¢	5.45¢	4.63¢	4.63¢	3.94¢	3.94¢
If \$ credit rate updated annually (starting 2025)	5.45¢	5.45¢	5.03¢	4.63¢	4.27¢	3.94¢
If exports credited at a kWh ratio updated each 2 years	1:1 kWh	1:1 kWh	.85:1 kWh	.85:1 kWh	.72:1 kWh	.72:1 kWh

- 29. This Petition does not address netting period. Residents have load patterns which vary through the day and have 3-tiered rates for consumption; visibility to netting period would be important for Residents to meaningfully model investment decisions. For Irrigators, the netting period is less likely to swing investment decisions. In-season loads are high and steady, off-season loads are low. Visibility to potential changes in the netting period is less essential for Irrigators to analyze investment decisions, thus an order setting a transition guideline specific to the value of the export credit rate would be adequately informative.
- 30. IPC-E-18-15 was the Company's prior study of the costs and benefits of net excess energy. The Company and signatory parties agreed to a Transition Period for Residential customers that would have basically compensated customers for exports at the Blended Base Energy Rate for 2 years, then stepped down each two years such that compensation would equal the then-current ECR after an 8 year period (see **Exhibit 2**). For comparison, the ECR proposed in the IPC-E-18-15 settlement agreement was 4.406¢ for Schedule 6 customers

and 4.956¢ for Schedule 8 customers. While the settlement agreement was not approved by the Commission, the concepts of a glide path to transition to a new credit value for exports, crediting exports at the Blended Base Energy Rate for the first two year of implementation, and implementing changes to the export credit value each two years are reflected in this Petition and were seen as a favorable compromise for the settling parties. The step-down each two years aligned with the plan to update the ECR each two years. The Transition Plan proposed in the IPC-E-18-15 Settlement Agreement reflected a decline of 12% after the first two year period and 14% after the second two year period for Residents. This Petition proposes a guideline that the export credit rate decline by no more than 15% per two-year period.

Exhibit 2: IPC-E-18-15 Glide Path filed in Settlement Agreement
Exports valued at Blended Base Energy Rate (retail) for 2 years, then step down over 8 years



Source: IPC-E-18-15 Settlement Agreement, Transition from Blended Base Energy Rate to Export Credit Rate, 10/11/2019, Attachment to Settlement Agreement

31. CEO is not advocating for the proposed explicit Transition Guideline to ensure certainty around return on investment or because CEO opposes changes to compensation structure; the fact that rates may change and ROI is not guaranteed has been well established by the Commission and CEO does not dispute this holding. *See* Order 35284 at 10 (2021) (listing several matters where this rule has been reiterated). But, CEO does assert that establishing a Transition Period Guideline that regulates the *pace* at which the compensation of excess energy may change during a likely transition to a new program will reduce <u>abruptness</u> in rate changes and will improve the <u>predictability and stability</u> of rates, which is good policy.

IV. Idaho Policy Is To Encourage Investment In Customer-Owned Generation

32. "It is Idaho policy to encourage investment in customer-owned generation"; this policy is stated in the most recent Idaho Energy Plan (2012 at 10). Further, the Idaho Energy Plan instructs:

In accordance with federal law, the Idaho PUC should continue to administer its responsibilities under the Public Utility Regulatory Policy Act in a way that encourages the cost-effective development of customer-owned renewable generation and combined heat and power facilities. *Id*.

33. The 100kW cap does not "encourage the cost-effective development of customer-owned renewable generation" (Idaho State Energy Plan, at 10), and as described above, appears to limit CI&I customers from developing their desired and appropriate amount of self-generation.

- 34. The record of comments in IPC-E-21-21 also shows that agribusinesses are discouraged from investing in customer-owned generation due to the impression that significant changes are forthcoming with a lack of guidance on how to parameterize those changes.
- 35. Idaho's state policy for encouraging customer-owned generation has informed prior Commission decisions. For example, in Order 32846 at 12, the Commission denied certain requests related to modifying Net Metering:

However, we are concerned that the Company's proposal is inconsistent with State policy as expressed in the Idaho Energy Plan, will discourage investment in distributed generation, and encourage rate-gaming. Order 32846 at 15.

36. The Commission has also clarified the obligation of the utility to provide timely information and allow its customers to make informed decisions:

The utility is a trusted entity imbued with a public purpose. It has the opportunity and the obligation to provide its customers with timely, trustworthy, and accurate information regarding the utility's service offerings to allow its customers to make informed decisions about whether to pursue the potential benefits of being a customer-generator while also incurring the associated risks. Order 34752 at 9.

37. The proposed Transition Guideline is needed this season to allow customers to make more timely and informed decisions regarding the risks and benefits of customer-owned generation.

V. Modified Procedure

38. CEO believes that a technical hearing is not necessary to consider the issues presented in this Petition and respectfully requests that this proceeding be processed under Modified Procedure, i.e., by written submissions rather than by hearing. Rule 201, *et seq*. If,

however, the Commission determines that a technical hearing is required, CEO will present

its testimony and support the Petition in such hearing.

VI. No Intervenor Funding May Be Awarded

39. Idaho Code § 61-617A(2) states, "The commission may order any regulated electric gas,

water or telephone utility with gross Idaho intrastate annual revenues exceeding three

million five hundred thousand dollars (\$3,500,000) to pay all or a portion of the costs" of

an intervenor if the intervenor complies with the requirements for intervenor funding. See

also Rule 165.01. CEO is not a regulated utility with gross annual revenues over

\$3,500,000. Thus, there is no statutory authority for the Commission to order CEO to pay

any costs incurred by any intervenor in this matter.

VII. Communications

40. Communications and service of pleadings with reference to this Petition should be sent to:

Clean Energy Opportunities for Idaho

Courtney White & Mike Heckler 3778 Plantation River Drive, Suite 102

Boise, ID 83703

courtney@cleanenergyopportunities.com

mike@cleanenergyopportunities.com

Kelsey Jae (ISB No. 7899)

Law for Conscious Leadership

920 N. Clover Dr.

Boise, ID 83703

DI (200) 201 5

Phone: (208) 391-2961 kelsey@kelseyjae.com

CLEAN ENERGY OPPORTUNITIES FOR IDAHO - PETITION IPC-E-22-12

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VIII. Request For Relief

41. As discussed in greater detail above, CEO respectfully requests that the Commission issue

an order that: (1) modifies the project eligibility cap for Schedule 84 customers to 100% of

a customer's maximum demand; and (2) establishes a Transition Guideline as follows:

a. For 2023 and 2024, the credit received by Schedule 84 customers for net excess

generation (exports) will be not less than the current 1:1 kWh credit or a Blended

Base Energy Rate. The Blended Base Energy Rate, which represents an average

retail rate, is equal to the total revenue to be collected through the base energy

charges for each respective class divided by the total forecasted annual energy for

each respective class.

b. Starting in 2025, if an Order has been issued to implement a change in the value at

which exports are credited for Schedule 84 customers to be different than the

current 1:1 kWh credit, and if that value is lower than a 1:1 kWh credit or the

Blended Base Energy Rate, then the value at which exports are credited would

decline by no more than 15% in 2025 and by no more than 15% over each

subsequent two-year period until the value is at the level of the export credit value

determined to be most current at that time.

42. CEO further requests that this Order issue by October 31, 2022.

DATED this 27th day of April, 2022.

Respectfully submitted,

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Kelsey Jae, Attorney for CEO

CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of April, 2022. I delivered true and correct copies of the foregoing PETITION to the following persons via the method of service noted:

Electronic Mail Delivery

Idaho Public Utilities Commission Jan Noriyuki Commission Secretary secretary@puc.idaho.gov

Idaho PUC Staff
Dayn Hardie
Deputy Attorney General
Idaho Public Utilities Commission
dayn.hardie@puc.idaho.gov

Idaho Power Company
Lisa D. Nordstrom
lnordstrom@idahopower.com
dockets@idahopower.com

Kelsey Jae

Attorney for CEO

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION CASE NO. IPC-E-22-12

CLEAN ENERGY OPPORTUNITIES FOR IDAHO

ATTACHMENT 1

PROPOSED REVISIONS TO SCHEDULE 84

Proposed changes to section 5.b.ii detailed below

Schedule 84, p1 (no changes proposed):

Idaho Power Company

Sixth Revised Sheet No. 84-1 Cancels

IDAHO PUBLIC UTILITIES COMMISSION Approved Effective

I.P.U.C. No. 29, Tariff No. 101

Fifth Revised Sheet No. 84-1

Approved Effective March 23, 2021 March 23, 2021 Per ON 34955 Jan Norlyuki Secretary

SCHEDULE 84 CUSTOMER ENERGY PRODUCTION NET METERING SERVICE

AVAILABILITY

Service under this schedule is available throughout the Company's service territory within the State of Idaho for Customers intending to operate Exporting Systems to generate electricity to reduce all or part of their monthly energy usage.

Effective June 1, 2018, Schedule 84 is closed to service for Idaho residential and Idaho small general service customers.

Effective December 2, 2020, Schedule 84 is closed to new applications with a two-meter interconnection.

APPLICABILITY

Service under this schedule is applicable to any Customer that:

- Does not take service under Schedule 4, Schedule 5, Schedule 6, or Schedule 8; and
- Owns and/or operates a Generation Facility fueled by solar, wind, biomass, geothermal, or hydropower, or represents fuel cell technology; and
- Maintains its retail electric service account for the loads served at the Point of Delivery adjacent to the Generation Interconnection Point as active and in good standing; and
- Meets all requirements applicable to Exporting Systems detailed in the Company's Schedule 68, Interconnections to Customer Distributed Energy Resources; and
 - Takes retail electric service under:
 - Schedule 1 or Schedule 7; and

Owns and/or operates a Generation Facility with a total nameplate capacity rating of 25 kilowatts (kW) or smaller that is interconnected to the Customer's individual electric system on the Customer's side of the Point of Delivery, thus all energy received and delivered by the Company is through the Company's existing watt-hour retail meter.

- b. Schedule 9, Schedule 19, or Schedule 24; and
- i. Two Meter Interconnection (Closed to new applicants effective December 2, 2020): Owns and/or operates a Generation Facility with a total nameplate capacity rating of 100 kW or smaller that is interconnected at a Generation Interconnection Point that, at the Company's discretion, is located either adjacent to or on the Customer's side of the Point of Delivery and is metered through a meter that is separate from the retail load metering at the Customer's Point of Delivery. A separate meter from the existing retail load metering at the Customer's Point of Delivery is not required if the Customer meets the criteria below. The One Meter Option is available if:

IDAHO Issued per Order No. 34955 Effective – March 23, 2021 Issued by IDAHO POWER COMPANY Timothy E. Tatum, Vice President, Regulatory Affairs 1221 West Idaho Street, Boise, Idaho

Schedule 84, p2 (see proposed changes below):

Idaho Power Company

Fourth Revised Sheet No. 84-2 Cancels

I.P.U.C. No. 29, Tariff No. 101

Third Revised Sheet No. 84-2

IDAHO PUBLIC UTILITIES COMMISSION Approved Effective Jan. 14, 2021 Jan. 14, 2021

Per O.N. 34892 Jan Noriyuki Secretary

SCHEDULE 84

CUSTOMER ENERGY PRODUCTION

NET METERING SERVICE

(Continued)

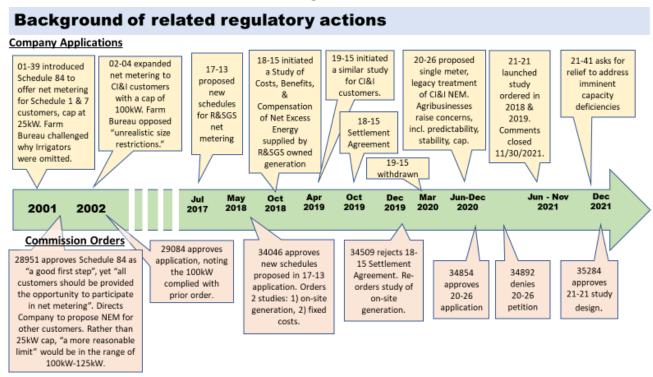
APPLICABILITY (Continued)

- 1. The Generation Facility has a total nameplate capacity rating of 25 kW or smaller; and
- 2. The Generation Facility has a total nameplate capacity rating that is no more than 2% of the Customer's Basic Load Capacity (BLC) or comparable average maximum monthly Billing Demands.
- ii. <u>Single-Meter Interconnection (applicable to new applicants effective December 2, 2020)</u>: Owns and/or operates a Generation Facility with a total nameplate rating of 100 kW or smaller that is interconnected to the Customer's individual electric system on the Customer's side of the Point of Delivery, thus all energy received and delivered by the Company is through the Company's existing watt-hour retail meter.
- 6. A Customer submitting a two-meter interconnection application for service under Schedule 84 must complete the interconnection pursuant to the terms of Schedule 72 by December 1, 2021. Grandfather Status will terminate on December 1, 2045.
 - ii. Single-Meter Interconnection (applicable to new applicants effective December 2, 2020): Owns and/or operates a Generation Facility with a total nameplate rating at of 100kW or smaller than the customer's maximum 15-minute demand as measured over the past 12 months and that is interconnected to the Customer's individual electric system on the Customer's side of the Point of Delivery, thus all energy received and delivered by the Company is through the Company's existing watt-hour retail meter. For new commercial or industrial customers without 12 months of data, the nameplate rating should be at or smaller than the maximum demand indicated on the service request. For new irrigation customers, the nameplate rating should be 80% of connected horsepower as indicated on the service request. Nameplate rating is measured in AC.

ATTACHMENT 2

Background of Related Regulatory Action

S



<u>2001-2002</u>

IPC-E-01-39

In November of 2001, the Company filed IPC-E-01-39 proposing to offer a Net Metering program to Schedule 1 & 7 customers, which included a 25kW cap for customer installations.

<u>PUC Staff commented that all customers should be eligible for net metering</u>. Staff supported the 25kW cap because it was the same as Avista's. No analysis of the impact of the cap on irrigators was presented:

Staff believes that Idaho Power's proposal to limit the maximum size of individual installations to a capacity of 25 kW and the maximum collective capacity of net metering generation on the Company's system to 2.9 MW is reasonable. These participation limits, Staff notes, are the same as the limits approved for Avista's net metering tariff. (ORDER 28951, p6)

The Department of Water Resources - Energy Division recommended that net metering be offered to Large General Service and to Irrigation customers, and if so that a much higher cap should be investigated for those customers. As referenced in the final order:

For other tariffs (e.g., irrigation), the Department believes it should be set higher than 25 kW. For example, it states, some aggregated irrigation loads could be as high as 8,000 kW. The average size of irrigation pump tested by Idaho Energy Division in previous years within the Idaho Power service area is approximately 150 horsepower (112 kW). (*Order* 28951, *p7*)

The Department recommends that consideration of a larger size limit for customers not in Schedules 1 and 7 be investigated. (*Order 28951, p7*)

The Idaho Rural Council opposed the Company's proposed restrictions on net metering:

The Idaho Rural Council is opposed to a system-wide net metering capacity limit. There should be no limit, it contends. Distributed/alternative production, it states, should be encouraged not inhibited. (*Order 28951*, *p8*)

Renewable Energy Advocates suggested reviewing the cap in one year:

It is requested that the Commission provide for further review of this 100 kW limitation one year from issuing its final Order to evaluate whether such limitation is appropriate. (*Order p3*. *Renewable Energy Advocates*).

The Company opposed requests by commenters that the program be expanded to other customers, or that a cap greater than 25kW be implemented.

Noting that the Company's Schedule 84 proposal was "a good first step", the Commission found that all customers should be provided the opportunity to participate in net metering. The Commission requested that the Company present a net metering proposal for its other customer classes within six weeks. With regard to the Company's proposal for a 25kW cap for Schedule 1 and Schedule 7 customers, the Commission ordered:

We Find: The Commission notes that the Company raises potential safety, service quality and grid reliability concerns arising from an increase in facility size beyond 25 kW nameplate capacity. We find that the proposed 25 kW limit is a reasonable size for Schedule 1 residential and Schedule 7 small general service customers. We find that the 25 kW capacity limit, however, is unreasonably low should net metering be extended to those customer classes with greater energy demands. Based on the comments filed, we find a more reasonable limit for irrigators, dairies and other customer classes is in the range between 100 to 125 kW. We note that in the Company's present Schedule 86 tariff, the

capacity size limit is 100 kW. In the filing we have requested, we expect the Company to address its safety, service quality and grid reliability concerns and to offer proposed solutions. The Company may find it useful to investigate how these concerns are addressed in other states with larger net metering capacity limits for customer-owned generation. As part of its filing we ask the Company to make specific proposals for monitoring program cost, cost recovery and related issues of subsidization. (Order 28951, @p11. Emphasis added).

Thus, in a docket proposing a net metering program for Schedule 1 and 7 customers, a range of 100kW-125kW was determined for CI&I customers.

IPC-E-02-04

In the subsequent docket, IPC-E-02-04, the Company proposed a 100kW cap for CI&I customers. Commenters, particularly the Farm Bureau, opposed the 100kW cap and proposed alternatives:

What about those larger farmers who have several pumps? There is no way they can hope to participate with these unrealistic size restrictions. A better approach would be to not restrict the nameplate capacity of the generation equipment, but to only allow generation up to a certain percentage over consumption at each meter, say three to five percent, on an annualized basis. That way farmers could take advantage of economies of scale and put in larger equipment that is more cost effective, yet they will be restricted from generating excess power. (Idaho Farm Bureau Federation, Public Comment, 5/14/2002, p2)

Restricting generating equipment to 100 kW of nameplate capacity is far too restrictive. This requirement, in and of itself, will severely reduce the number of people interested in participating in this program since many operators will be unable to come close to offsetting their consumption with the proposed size limitations.(Idaho Farm Bureau Federation, Public Comment, 5/14/2002, p3)

Staff and the Commission supported the 100kW cap for Schedule 24 customers because it was consistent with the Order No. 28951, the prior docket establishing net metering for Schedule 1 and 7 customers. Per Staff:

In its Application, Idaho Power proposes a limit of 100 kW nameplate capacity per metering point. The Commission, in Order No. 28951, stated that it believed a reasonable capacity limit for net metering for customer classes other than residential and small commercial was in the range of 100 to 125 kW. Since the Company's proposed limit falls within this range, it clearly complies with the Commission's Order. (Staff Comments, May 10,2002, IPC-E-02-04).

Per the Commission:

We find that the Company's filing in this case complies with the Commission's direction in Order No. 28951. We have considered the comments submitted in this docket and find it reasonable to approve the Application as proposed and without modification. In doing so, we are mindful that the Schedule 84 net metering tariff is a new program for Idaho Power. We have required the Company to expand Schedule 84 and offer net metering to all its customers. What the Company proposes is not unreasonable. While the suggested changes to the Company's proposal were thoughtful, what we want at this time is to implement the program. If needed, it can be modified as we gain experience. (Order 29092, 10/18/2002, IPC-E-02-04, p7. Emphasis added)

2012-2013

IPC-E-12-27

In IPC-E-12-27, Order 32486 changed Excess Net Energy compensation such that customers could not monetize excess energy credits but instead could accumulate kWh credits. After Order No. 32846, the Commission received petitions for clarification and/or reconsideration from a number of parties, ultimately resulting in the Commission issuing Order No. 32880 inviting comments on the matter of meter aggregation. For example -

We have many customers that have multiple meters in various locations for farming, irrigation, or commercial applications. Many of these sites only have one usable location for their renewable energy resource, but multiple loads to offset. (Mike Leonard, IPC-E-12-27, public comment, 9/30/2013)

The resulting Order 32925 established meter aggregation as follows (p6, emphasis added).

Based on the above, we find it fair, just, and reasonable to allow a customer to apply the customer's excess kWh credits from the designated meter to offset usage recorded on aggregated meters if all of the following eligibility criteria are satisfied:

- 1) The customer may only apply the excess net energy credits to accounts held by the customer.
- 2) The aggregated meters must be located on, or contiguous to, the property on which the designated meter is located. Contiguous property includes property that is separated from the premises of the designated meter by public or railroad rights of way;

- 3) The designated meter and the aggregated meters must be served by the same primary feeder; and
- 4) The electricity recorded by the designated meter and any aggregated meters must be for the customer generator's requirements.

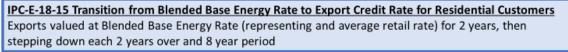
2017-2019

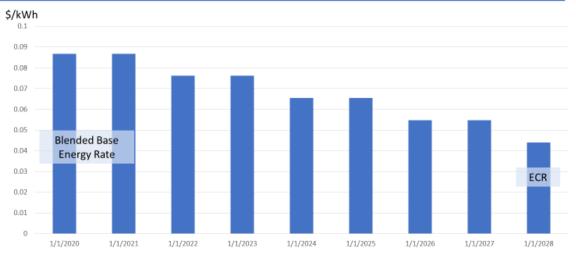
IPC-E-17-13.

In 2017, the Company applied "For Authority to Establish new Schedules for Residential and Small General Service Customers with On-Site Generation." The resulting Order No. 34046 directed the Company to (1) "undertake a comprehensive study of fixed costs" and (2) "initiate a docket to comprehensively study the costs and benefits of on-site generation on Idaho Power's system, as well as proper rates and rate design, transitional rates, and related issues of compensation for net excess energy provided as a resource to the Company."

IPC-E-18-15 and IPC-E-19-15.

To address (2) above, the Company initiated IPC-E-18-15 October 19, 2018: Study of Costs, Benefits, and Compensation of Net Excess Energy Supplied by Customer On-Site Generation for residential and small general service customers. A series of meetings occurred among intervening parties, and a Settlement Agreement was filed a year later in October 2019. Most relevant to this Petition, that Settlement Agreement included an 8-year Transition Period from existing compensation of net excess generation to the new Export Credit Rate (see Exhibit below). This Settlement Agreement for Schedule 6 & 8 customers proposed no change to the 25kW cap.





Source: IPC-E-18-15 Settlement Agreement, Transition from Blended Base Energy Rate to Export Credit Rate, 10/11/2019, Attachment to Settlement Agreement at p21 of pdf.

In the midst of IPC-E-18-15 (April 5, 2019), the Company launched IPC-E-19-15: Study of the Measurement Interval, Compensation Structure, and Value of Net Excess Energy for On-site Generation Under Schedule 84 and Temporarily Suspend Schedule 84 Net Metering Service to New Idaho Applicants. The Application proposed no relief regarding the 100kW project eligibility cap, though the Company application observed that "nearly all of the active or pending irrigation net metering customers in 2018 and 2019" were constrained by the 100kW cap.

The Commission denied the Company's request to temporarily suspend Schedule 84 and established a comment period on how IPC-E-19-15 should be processed in relation to IPC-E-18-15 and IPC-E18-16. After reviewing the comments, the Commission determined that merging Schedule 84 interests into the process already underway in IPC-E-18-15 for Schedule 6 and Schedule 8 customer-generators would disadvantage Schedule 84 customers and could negatively impact the proceedings in IPC-E-18-15. The Commission decided to process IPC-E-18-15 and IPC-E-19-15 as stand-alone dockets but stated it expected consistent application of principles across dockets and that findings in IPC-E-18-15 would be presumptively reasonable in IPC-E-19-15 (Order No. 34335).

On Dec 20, 2019, the Commission rejected the IPC-E-18-15 Settlement Agreement, for which the files "appear to be the starting point of negotiations between the parties and not the comprehensive study ordered by the Commission." (Order 34509, p8).

IT IS FURTHER ORDERED that the Company shall submit a comprehensive study of the costs and benefits of net metering to the Commission before any further proposals to change the Company's net-metering program. This study shall incorporate public feedback and concerns in the design and review of the study, including public workshops and public comments on the record. 18-15, 12/20/2019, Order 34509, p17)

In the IPC-E-19-15 "Study," the Company had taken a similar approach to IPC-E-18-15 and was at risk of the Commission rejecting it. On March 17, 2020 the Company withdrew its IPC-E-19-15 application in light of the Commission's Order 34509. Progress in IPC-E-19-15 related to matters in this Petition remains confidential.

2020-2021

IPC-E-20-26.

The Company did not initiate a study of net metering in 2020. The Company did file IPC-E-20-26 seeking authority to modify the Schedule 84 net metering program. The Company proposed changing the two-meter requirement in Schedule 84 to a single-meter requirement for new customer-generators and to grandfather existing customer-generators with two-meter systems under the current rules for 10 years. The application proposed no relief for the 100kW cap.

The Company noted in IPC-E-20-26 that it is in the best interest of customers to understand the degree to which they will be impacted by future changes to net metering:

Based on this growth, the Company believes it is in the best interest of customers, both existing and future, to know to what extent they may be impacted by the outcome of a future docket that results in a change to the measurement interval or compensation structure applied to Schedule 84.(IPC-E-20-26, Aschenbrenner Direct, page 13)

The Order summarized public comments in IPC-E-20-26 (Order 34854, p 8-9, emphasis added):

The Commission received 97 written comments and heard testimony from 13 individuals at the telephonic public hearing. The Commission appreciates the robust engagement by the farming community during harvest season and other interested members of the public. Reviewing the public comments, a few key themes emerge. The first is that the vast majority indicate that ten years is not a fair grandfathering term, and that the Commission should grant a 25-year term to align the grandfathering period with the investment decisions and the treatment granted residential customers in IPC-E-18-15. Many commenters also urge the Commission to wait until a comprehensive study is conducted and a successor

program is announced before cutting off eligibility for grandfathering. Numerous commenters note that the comment period overlaps with the harvest season, an extremely busy time for farmers, and therefore urge the Commission to extend the comment period. Further, many commenters urge the Commission to address the 100 kW cap.

Many commenters ask the Commission to support energy independence and allow farmers to control escalating farm costs. Farmers note that commodity prices and the price of farm inputs do not always align, and therefore the opportunity to control costs is critical to riding out fluctuations in commodity prices. Commenters state that increased on-site solar production would reduce Idaho Power's reliance on coal resources, large dams, and long-distance transmission resources, and contribute to the Company's goal of 100% clean energy by 2045. Commenters note that farmers benefit greatly from net metering without causing detriment to Idaho Power's system or other customers because of the relative size of the systems and the demand charge paid by Schedule 84 customers. Commenters note southern Idaho's abundant solar resource and that solar panels produce energy at the Company's peak load hours.

Testimony provided at the public hearing indicated thoughtful consideration of the program structure before investment decisions were made in on-site generation systems. Detailed descriptions were provided by current and potential Schedule 84 customers of their efforts to control farm costs through increased efficiency measures including the installation of variable frequency drives, participation in the Peak Rewards Program, developing and implementing advanced water monitoring systems, utilizing federal incentives, and participating in net metering. Farmers indicated that farm infrastructure investments are not made on ten-year horizons and that they purchased systems designed and warrantied to last for at least 25 years.

The Commission decided:

We find it prudent to make the determination on grandfathering existing Schedule 84 customer-generators now, rather than waiting until a successor program is approved as many parties and commenters suggested, because it clarifies to potential C, I, & I customer-generators that the program fundamentals are undergoing a comprehensive review and are likely to change. While it may be difficult for potential customer-generators to determine their likely return on investment without knowing the details of the successor program, we find this consideration is outweighed by the public interest in clarity that the tariff is likely to change. We find that the claimed chilling effect on new customer participation in Schedule 84 during the interim is unpersuasive. Customer-generator

decisions are based on many factors and when making future decisions it is important to acknowledge that any tariff may change. (Order 34854 p10-11)

Finally, we acknowledge the comments submitted regarding the 100 kW cap and meter aggregation rules but decline to address them in this docket. There will be opportunities to address these issues during or after the forthcoming comprehensive study. (Order 34854 at 12)

On 12/22/2020, Sierra Club filed a Petition for Reconsideration and Clarification asking to extend the cut-off date for legacy treatment by 90 days and for certain clarifications of the net metering program. Regarding the request for clarification, Sierra Club presented:

Customers value any visibility of what to expect from the study of on-site generation which still stands between them and the ability to make informed decisions. The ruling on IPC-E-20-26 puts them in the position of relying on advocacy groups, installers, and the utility for predictions, any of which may have different views. Because CI&I customers are bearing the harm caused by the lack of progress in defining the successor program, we encourage the Commission to help customers by clarifying some of the parameters of possible program changes. (Petition, p6)

Transition guidelines were not proposed. With regard to the 100kW cap, the Sierra Club requested:

As multiple commenters noted, the economics associated with solar installations cannot be accurately estimated without considering the size of individual installations. We ask that the Commission reconsider its suggestion that size limits can be considered "during or after the forthcoming comprehensive study" (Order No 34854, page 12) and direct the Company to include a review of size and aggregation rules within the scope of any comprehensive study. (Petition p6)

Over the next nine days, between 12/22 and 12/31, public comments were filed by 16 farmers and by the Idaho Grain Producers Association (quoted earlier) which represents 600 farm families and which expressed support for the Sierra Club petition. Excerpts from these comments are presented in Attachment 3. Farmers expressed value in the ability to access the net metering program and/or cost controlling technologies such as customer-owned generation. Several farmers stated they understand that tariffs are not contracts and are subject to change; they expressed the need for better predictability of future changes in order to weigh such risks in investment decisions.

On January 14, 2021 The Commission denied petitions for reconsideration in IPC-E-20-26. In response to the Sierra Club's request for clarification, the Commission responded:

Finally, we find that Idaho Sierra Club's request for clarification can be resolved, to the extent possible at this time, by pointing to the records developed in IPC-E-18-15 and PAC-E19-08. In IPC-E-18-15 we stated that the Company "must design the study in coordination with the parties and the public, and the final scope of the study will be determined by the Commission. The Commission will provide the parties and the public stakeholders the opportunity to comment during the study design phase and the study review phase." Order No. 34509 at 9, IPC-E-18-15. The items of study will be determined based on the record developed in the forthcoming case, but there are procedural requirements already established and indicators on the public record of likely topics to be included in a comprehensive study. In IPC-E-18-15, we stated, "The work done in this docket can and should be built upon in the next docket." Order No 34509 at 7. In PAC-E-19-08, the Commission issued an order defining the comprehensive study of onsite generation to be conducted in that case. Order No. 34753. As Idaho Sierra Club itself notes, the Commission consistently tries to align the net metering programs between utilities to the extent possible. Order No. 34752 at 7.

IPC-E-21-21.

On June 28, 2021, the Company filed IPC-E-21-21 to launch the study originally ordered in May 2018 (Order 34046) and re-ordered in Dec 2019 (Order 34509). The Commission had outlined a "study design" phase and a "study review" phase, for which IPC-E-21-21 served the study design phase through which Staff and the Company complied with hosting "public workshops to share information and perspectives on net-metering program design with the public and to listen to customer concerns and input." The "study review" phase would give the public opportunity to comment on whether the study sufficiently addressed their concerns and their opinions on what the study shows.

Farm Bureau Public Comments on 21-21:

We also ask again that this entire process be done in a timely manner for Idahoans to take advantage of funding opportunities that exist to aid those that may choose to pursue on-site generation. (Farm Bureau, November 30, 2021, IPC-E-21-21)

The deadline for All Party reply comments and comments by other persons in IPC-E-21-21 was Tuesday, November 30, 2021. Three days later, the Company filed IPC-E-21-41.

IPC-E-21-41.

On December 3, 2021, Idaho Power filed IPC-E-21-41 disclosing a near-term capacity deficit and seeking expedited processes to add additional utility-owned infrastructure (Application for Authority to Proceed with Resource Procurements to Meet Identified Capacity Deficiencies in

2023, 2024, and 2025 and to Ensure Adequate, Reliable, and Fair-Priced Service to its Customers).

Idaho Power requests that the Commission issue an order: (1) eliminating the IPUC requirement to comply with the Public Utility Commission of Oregon ("OPUC") resource procurement rules in favor of a competitive, but expedited process; (2) authorizing Idaho Power to move forward expeditiously with resource procurements to meet identified generation resource needs in 2023, 2024, and 2025; and (3) affirming support and the continuation of the state of Idaho's system of public utility regulation under which the interests of customers are best served by a vertically integrated electric utility maintaining ownership of the necessary generation, transmission and distribution utility functions, with limited exceptions. (IPC-E-21-41 Application, p1-3).

ATTACHMENT 3

Excerpts of related comments from the Farming Community and others

The contents of this attachment are organized as follows:

- 1: Excerpts from comments by agribusinesses submitted Dec 22-31, 2020
- 2: Letter filed by the Idaho Grain Producer Association, Dec 28, 2020
- 3: Excerpts from a sampling of comments filed Sep 29 Oct 27, 2020 (prior to the Dec 1 Order)
- 4: Letter filed by a coalition of 16 organizations (incl. request to change the 100kW cap)

1: Excerpts from comments by agribusinesses submitted December 22-31, 2020

Michael N. Kochert, Roseberry Farms, Gooding, 12/28/2020

My wife and I own two farm parcels north of Gooding on the Big Wood River. We were contemplating a solar powered pumping system, but the PUC decision will quite likely prevent us from doing so. In my opinion, the uncertainty about Idaho Power's solar compensation program will discourage other farmers from investing in solar energy. I believe that the PUC and Idaho Power should provide opportunities for farmers to utilize alternative power sources and provide information for farmers to make informed decisions. I ask that the PUC to do everything it can to enable farmers to make informed decisions on solar generation during 2021.

Taylor Duncan, Circle D Farms/Golden Ridge Farms, Jackson, 12/28/2020

We are at a loss of direction going forward because of lack of current information on the new program. It is unfair that I as a farmer bear the cost of the utility's choice to delay the fulfilling of obligations ordered by the commission.

Ray Matsuura, R&R Farms Equipment, Blackfoot, ID 12/28/2020

My name in Ray Matsuura and I'm a retired farmer/land owner but still active in the agriculture world. I am also an Idaho Power customer. I do support the request made by the Sierra Club for reconsideration and clarification concerning the effects of proposed changes to the net metering program. This can help me to make more informed decisions for future power generation on my farms.

Dale Hooley, Hooley Farms, Hammett, 12/31/2020

I'm a farmer and a sole proprietor since 1974. One of my farms is a 600 acre tract on a butte 550 feet elevation above the Snake River which is its source of irrigation water. The cost of pumping irrigation water is the largest expense.

I have participated in Idaho Power's Peak Reward program since its implementation. I have also used and benefited from Idaho Power's Cost Share Program installing energy saving equipment, e.g. efficient pumps and variable speed drives, and replaced worn irrigation parts. I have benefited from both of these programs, and I appreciate Idaho Power's orientation and dedication to increase efficiency and reduce irrigation costs.

This past summer I purchased and had installed a 100KW solar station on an unused pivot corner of this farm. I'm hoping the solar station will produce and off set 12-14 % of the energy this farm consumes. I am excited that the cost of producing solar power is becoming economically feasible. I had planned and now have suspended plans to build an additional solar station in 2021. Idaho Power's desire to change the net metering program has introduced a high level of uncertainty into the future of farm-produced energy. I'm unwilling to blindly invest in solar with no visibility to the future structure of the program.

I am asking the PUC to extend the grandfathering period of the Net Metering Program until further clarity is provided on how issues affecting this program may change. I and my agribusiness friends are ready to invest in producing energy as another way to save money and become more energy efficient.

Adam Young, Young Family Farms, Blackfoot, Idaho, 12/22/2020

My name is Adam Young, and I farm 3,000 acres of wheat, barley, and alfalfa near Blackfoot. My comment is in support of the petition by the Sierra Club to extend the cut-off date for grandfathering for new solar systems to Feb. 28, 2021 and to provide more clarity on the expectations of the study that will affect how net metering may change.

Our farm recently constructed twelve solar trackers that are connected to the grid through Idaho Power's net metering program. These trackers have been good investments and will provide value to us as individual Idaho Power customers, as well as to the company, who can turn around and sell our generated power to higher-paying customers (such as residential and small general service customers), especially during peak-demand summer months. The success of our investment in 2019/2020 left us hoping that we could pursue additional solar projects in 2021 and beyond; however, the PUC's recent decision has forced us to stall any future plans until we have some kind of idea of what Idaho Power's program will look like in the future.

To be clear, we understand that tariffs are not a contract, and that they are subject to change. We're not asking for a contract; we're asking for greater clarification on what the program will be going forward or, at least, an extension of the grandfathering period until we can receive some kind of reasonable clarification. At the present, the only real information we have to go off of is that the program *will* change and that we should expect it to. We also know, from

personal experience, that Idaho Power does not want to support customer generation, and that they have every incentive to weaken the program. Under the present circumstances, how could we (or any other irrigator) put money at risk investing in solar?

Jason Stanger, Standlee Ag, Kimberly, Idaho, 12/28/2020

I am a farmer and Idaho Power Customer in the Magic Valley Area. I have been looking into Solar as a way to not only help ensure profitability in our operation but do our part to lower the negative affect high power consumptions has on the environment. With the recent decision to set a December 1st cut-off date to apply for the net metering program I am unable to feel comfortable making a decision whether to move forward or not. With the short notice and cut-off date being so close to the end of the farming season I was unable spend the time needed to come to a decision before the cut-off date. With no clarification on what a successor program may be I don't feel it would be a good idea to commit to such a large project till there is some kind of direction where a program might be headed.

Morgan Meyers, 12/28/2020

Concerning order #34854 We agree with what the sierra club is saying. We are farmers interested in participating in solar generation.

By signing the order effective December 1st 2020 it put undue stress and inadequate time to fully assess potential solar opportunities given that the time and energy necessary to grow and harvest crops which lasted til nearly thanksgiving didn't allow for much time to analyze. This left very very little time to fully assess solar opportunities.

Compound that with uncertainty as to the unknown of what Idaho powers future rate schedule might be.

This order seems very much in favor of Idaho powers interest over anyone else who has interest in solar production.

Ironically Idaho power set a goal to produce 100% green power by 2045 yet is trying to discourage and deincentivize 100kw or less generation?

Brigham Duncan, Circle D Farms, 12/28/2020

My name is Brigham Duncan, and I along with my brother and father run our family's fourth generation family farm located in the Magic Valley near Rupert, Idaho. We raise ~20,000 acres of sugar beets, potatoes, corn, barley, wheat, and alfalfa. We also are owners in two large dairies. Most of our electricity comes through Idaho Power.

Earlier in the summer we began to have internal discussions about installing solar panels on our farm. Due to the busy nature of harvest from August to November, we believed it was in our best interest to engage solar companies after the completion of harvest. When we solicited bids earlier this month, we were informed the application date to be grandfathered in Idaho Power's net metering program had recently passed. We have since learned we aren't the only farmers that were hurt by the unfortunate timing of this deadline.

We kindly ask you reconsider your decision to close applications on December 1 and reopen a period of time (90 days) so we can submit our applications for several dozen solar projects. We also kindly ask you provide more clarification on the study the PUC requested Idaho Power to complete on how net metering may change going forward. Our ability to make informed decisions for our family farm is harmed with such high uncertainty surrounding the new program that has yet to be announced.

Mike Telford, Triple T Farm, 12/24/2020

I am an Irrigator served by Idaho Power Company, I am writing on behalf of myself as well as my five sons who farm and ranch independently in southern Idaho.

... We had to gather the power production records, get bids, consult with our tax accountant, visit with our banker and analyze all of this to see if another solar project was a wise investment. A Dec 1 deadline for most farmers is not only harmful but close to impractical, in not impossible, to make an informed decision. One conclusion we did come to was that without some certainty and the net metering as it is, any more projects would not be a good investment.

We decided to get our application in and inspite of the rushed time table signed our applications on Nov 29. The dealer, we have been told, emailed the application to Idaho Power that same day. They also mailed with the US mail the payment that was required. We received a call from Idaho Power saying we missed the deadline because they say they didn't get the mail until December 3. I am aware of mail taking way too long from Burley to Boise, but I have no control over that. We feel that we are not being treated fairly. If this stands my family and I are being damaged financially, possibly for the next 20 years.

Russell and Lisa Patterson, Triple Ace Inc., 12/28/2020

Because we are involved in farming and we have been extremely busy in harvest, we have not had enough time to evaluate the program previous to December 1st. Therefore, we request the program to be extended so we may continue to consider its value in our farming operation with regards to solar power investment in our irrigation program.

Aaron Ball, Aaron Ball Farms, Inc., Rupert, Idaho 12/28/2020

I am an Idaho power customer and a farmer in southern Idaho. My father and I have been discussing a potential solar power project with Agripower solar since the spring of 2020. In regards to the Sierra club petition listed above, we support the petition whole heartedly. The IPUC decision to halt applications by December 1 was much too quick and didn't give those of us considering a project time to act and countless hours of our financial planning and research was lost. Please consider the Sierra Club petition.

Karen Steenhof, Murphy, Idaho 12/28/2020

I am an Idaho Power customer, and I have a communal well on my property in Owyhee County that my neighbors and I use for irrigation. I was hoping to install a solar panel to power the electric pump that we use, but the PUC decision will likely prevent me from doing so. Uncertainty about Idaho Power's solar compensation program will discourage farmers from investing in solar energy. Farmers should have the right to power their irrigation pumps with home-grown solar energy, and the PUC and Idaho Power should be encouraging them to do so. Idaho needs to transition to distributed energy production, and this decision is a step in the wrong direction.

Craig L. Giles, Giles and Meyers Farms, Hansen, Idaho 12/28/2020

Our harvest time schedule is very dependent on weather, which carries us into the first of December. The month of December gives us time to review the previous years events along with planning for the new year including any new investments. ...

We were of the understanding, that the closing date for being "grandfathered in" was set for December 1 st. This put those of us in the farming profession at a great disadvantage. We would not have sufficient time to do our due diligence in a proper time frame. Nonetheless, we believed that the current program offered by Idaho Power, "net metering" along with current construction cost and overall power usage that this would fit very well in our operation. We felt good about participating in renewable energy.

... We sent our applications by Fedex on December 1st, only to find out Idaho Power would not accept them as received by the December 1st deadline. We were told that most of our applications were accepted, but not under the old plan, because they were not received until December 2nd. This has put us at a real disadvantage. It makes it impossible to invest the Capital needed into a project without knowing what changes might be made to future programs and/or Solar in general.

We have been Idaho Power Customers for over 40 years. We have participated in the Irrigation Peak rewards programs and continue to look for ways to help conserve energy and to be

involved in renewable energy. I believe that Agriculture will play a big part in the reduction of Greenhouse Gases and overall protection of our environment.

Paul Duncan, Rupert, Idaho, 12/28/2020

My name is Paul Duncan, and I along with my two sons run our family's fourth generation family farm located in the Magic Valley near Rupert, Idaho. We raise ~20,000 acres of sugar beets, potatoes, corn, barley, wheat, and alfalfa. We also are owners in two large dairies. Most of our electricity comes through Idaho Power.

Earlier in the summer we began start our due diligence on putting solar panels on our farm. Due to the busy nature of harvest from August to November, we believed it was in our best interest to engage solar companies after the completion of harvest. When we solicited bids earlier this month, we were informed the application date to be grandfathered in Idaho Power's net metering program had recently passed. We have since learned we aren't the only farmers that were hurt by the unfortunate timing of this deadline. We kindly ask you reconsider your decision to close applications on December 1 and reopen a period of time (90 days) so we can submit our applications for several dozen solar projects.

We also kindly ask you provide more clarification on the study the PUC requested Idaho Power to complete on how net metering may change going forward. Our ability to make informed decisions for our family farm is harmed with such high uncertainty surrounding the new program that has yet to be announced.

2: Letter from Idaho Grain Producers Association (IGPA), 12/28/2020

RE: IPC-E-20-26 Petition

The Idaho Grain Producers Association (IGPA) requests reconsideration of IPC-E-20-26, IN THE MATTER OF IDAHO POWER COMPANY'S APPLICATION FOR AUTHORITY TO MODIFY SCHEDULE 84'S METERING REQUIREMENT AND TO GRANDFATHER EXISTING CUSTOMERS WITH TWO METERS in part of the final order 34854, and respectfully submits the following comments regarding the Petition for Reconsideration & Clarification (IPC-E-20-26) submitted by the Sierra Club. With over 600 wheat and barley farm families as members, IGPA is the key policy advocacy organization working on behalf of Idaho's grain industry with local, state, and federal leaders.

IGPA policy supports all renewable energy opportunities being available for Idaho farmers to pursue. The PUC's decision to grant the December 1, 2020 cut-off date to grandfather CI&I customers (including Irrigators) to install on-site solar generation hinders irrigators' ability to pursue any investment in renewable generation systems. We acknowledge and appreciate the current net metering program that remains open after the cut-off date; however, with all the uncertainty that farming encompasses, Idaho's grain growers cannot adequately evaluate the cost/benefit to justify the installation of these projects when changes are likely, but they have no idea what those changes will be.

Agricultural businesses are inherently and intimately familiar with uncertainty and appreciate the fact that rates are not contracts and are subject to change. However, the lack of clarity for the future of net metering for irrigators provides no sideboards for operators to gauge the risk and return of such projects. This will effectively stifle the ability and desire for any irrigators to pursue projects. In conclusion, IGPA hopes it is not the intention of Idaho Power and the Idaho Public Utilities Commission (PUC) to limit irrigators from providing renewable energy – but order 34854, if left intact, will accomplish just that.

Sincerely,
Jamie Kress
President, Idaho Grain Producers Association

3: Comments filed Sep 29 – Oct 27, 2020

Randy Bauscher, B&H Farming, Rupert, Idaho (Received by PUC 10/16/2020)

My name is Randy Bauscher, I am a farmer and am involved in 3 100kW solar units on our farm.

. . .

I believe we should continue to have the opportunity to make our irrigation systems more efficient through any way possible; pivots, high efficiency pumps, VFD's, solar panels, or whatever is available. Commodity prices often do not check with input costs and in order to survive and keep Idaho's agricultural community thriving, we should be able to use tools such as the Net Metering Program to compete on a national and global scale.

Darek Jentsch, Jentzsch Kearl Farms, Rupert, Idaho 9/29/2020

I am the General Manager of Jentzsch Kearl Farms. We farm 20,000 acres in Southern Idaho. We do not currently have any solar panels through the net metering program as of yet but we are seriously looking into them both as an investment for our own farm as well as helping some of our landlords look into net metering through solar panels as well. One of the main reasons

that we have not yet engaged in one of the projects is because of the uncertainty surrounding net metering and Idaho Powers stance against it.

...Challenges that I saw on my project consisted of 100 kW limits, which caused aggregation issues in design, and uncertainty of program longevity and design criteria. +Lifting the 100kw system limit and aligning it with the actual load at the pump sites would eliminate a bunch of confusion in how to offset loads that are not exactly 125 hp. +Defining a solid replacement program would allow for better judgement of actual financial decisions, good or bad. I utilized federal programs that are encouraging green energy development to fund my project. Like any investment, the decisions are vetted very thoroughly, and the abstract approach that began in 2019 made it very difficult to do accurate analysis of solar projects.

The following excerpt is from a partial transcript of oral testimony given by Mr. Jentsch in the October 13, 2020 PUC hearing. The full transcript is available for a fee from the PUC.

We believe that there is a large beneficial economic impact to people spending federal subsidies in our state. We also believe that this is a long term investment that will contribute to profitable and sustainable agriculture.

Adam Young, Young Family Farms, Blackfoot, 10/13/2020

I would also like to express two general concerns dealing with the program that aren't directly related to case IPC-E-20-26. The first has to do with Idaho Power's 100 kW limit on customer generation systems and the company's aggregation rules. The way these rules are applied creates design inefficiencies that are often purely arbitrary. For example, we had to abandon one potential solar site because we would not be allowed to aggregate that point of diversion with any of our other pumps, even though all of our pumps are under the same name and within about 10 miles of each other. There also seems to be little reason for us to have been required to build two solar generation sites within two miles of each other instead of just one, simply to avoid exceeding the 100 kW limit.

Chris Unruh, Grandview, 10/8/2020

#4 lifting 100 kw limit to match loads at pumps would be beneficial

The current program of storing up kw's in the off season to use in the summer to offset the power bill is a definite economical benefit. It is dropping my power bill about estimated \$55-60 per acre. With tax credit and depreciation it has a very doable return on investment. While on the sunny days of mid summer delivering solid kw's during Peak Load times.

Tami McHugh, Kuna, 10/8/2020

We invested over \$50K into solar panels to support our home less than two years ago. We have a well and a water source heat pump, so our power bills were very high before adding solar. Our bills are much lower now. We rely on the solar power to afford to live in our home and need the power bill reductions from generated solar power to continue living here.

Tyler Pratt, Giving Ground Farm, Pocatello, 10/27/2020

As a farmer in Idaho Power's service area, we are hopeful to one day soon install a solar array for our pumping and food preservation and storage needs. If Idaho Power's request to cut off the application date for net metering customers is granted, without any discussion of how the rates will be affected, they are certain to petition the IPUC soon thereafter for rates that disincentive customer generation. However, the primary reason I believe you should reject Idaho Power's petition is because they have yet to do a complete valuation study for customer generated power. Before making changes to a rule that will be difficult if not impossible to retract, it is important that a full and complete study be given to both the pros and cons of net metering on the grid. Currently, Idaho Power generally makes the case that net metering customers negatively impact the grid, but they fail to acknowledge that there are actually numerous benefits to having distributed generation in their service area.

Duane Grant, President of Grant 4-D Farms, Rupert, 10/13/2020

The following excerpts are from an emailed copy received of oral testimony given by Mr. Grant in the October 13, 2020 PUC hearing.

...Today the family does business as Grant 4-D Farms, LLC, irrigating crop acres in the Snake River plain running from southeast Idaho and into eastern Oregon. The operation produces 9 varieties of commercial potatoes, seed potatoes, sugar beets, onions, malt barley, wheat and various other crops.

Our relationship with Idaho Power is and has always been excellent. With over 16,000 HP of installed service in Idaho on 164 meters, managing the relationship and its associated cost has a direct and significant impact on our bottom line.

...During the 20-year period ending in 2019, our per-acre power cost calculated on a 5-year rolling average has increased from \$46.04 to \$84.24 per acre, an 83% increase for the period, or 4.4% averagely. Only diligent attention to a three-fold strategy of lowering power usage, producing ever higher yields and growing higher value crops has succeeded in keeping our power costs in check in terms of % of sales. During this 20-year period we have spent large amounts of capital to implement numerous initiatives to reduce the growth in per-acre power costs.

...Net metering is our latest investment in the never-ending battle to manage cost. Improvements in solar technology coupled with long-standing federal and state policy supporting renewable energy have together created a scenario where solar-based net metering meets the return-on-investment threshold of good business.

...Perhaps as another way of bringing the solar projects into context, it is helpful to look at Idaho Powers expected return on large capital investment as detailed in their "*Estimated System Rate Impact Due to Large Capital Investments*" as detailed in their publication of the same name dated Aug. 2, 2018. In that document, Idaho Power represents that they expect increased revenue equal to 18% of the capital cost of a large capital investment made by the company. By comparison, even after subtracting from capital cost the tax benefits that accrue to the solar project, we will be receiving avoided cost, equivalent to increased revenue, of 8.7% on invested capital annually. Our solar investment will by all accounts improve the power-grid infrastructure, but is a bargain to the system by comparison to Idaho Powers expected rates.

...Of the 164 Idaho Power meters we are responsible for, we identified only 42 sites that are economically suited for the current net metering program. Of those, we directly own and are installing solar on 13 sites. Three long-term landlords are installing on 11 additional sites. The remaining 18 economically viable sites were not built out as the landlords could not get comfortable with the ambiguities and uncertainty that exists today within the Idaho Power net metering program. We contemplated building the sites ourselves, but were dissuaded when we understood that moving a site prior to the contemplated grandfathering term out void grandfathered status.

...Times and technology are changing. Public policy and even Idaho Power's own corporate is calling for transition to renewable energy sources. Changing the rules post-investment will discourage future investment, and limit our collective ability to creatively invest towards achieving fully renewable energy status.

Bryan Lawley, Boise, 10/26/2020

Growing up in southern Idaho farm country and having many close friends that have taken over their family farms this topic hits close to home as this sector is one of the most volatile year to year with continual changes in crop prices that determine their future operations. To not allow farmers a choice to use solar to offset rising electricity prices at fixed costs past payback points puts even more risk into their operations.

Margaret Horton, 10/25/2020

My family has been in farming and ranching in Idaho for over 100 years. They are hard working, honest, and loyal.

... Please help us by saying no to Idaho Powers' attempt to renege on their agreements with all solar net-metering customers. I see their actions as mere "power plays" to discourage solar power while making their monopoly bigger for their own gain.

Joe Goodman, President of Agripower Solar, 10/27/2020 (Excerpts of two relevant requests)

4. Increase system size cap amount from 100KW to 1000KW

The current cap of 100KW per meter for irrigators often does not make sense. As we design energy production systems to help farmers and other agricultural business to offset THEIR OWN USAGE, the cap currently in place sometimes results in system designs which are less than 100% efficient. It also results in our clients needing to aggregate multiple meters to try to offset as much of their usage as possible. This can result confusion and additional work for both the Ag Business Owner and IPC.

5. Federal Financial Incentives Currently Exist for Rural Business Owners who

<u>Implement Renewable Energy:</u> As I am sure the Commission is aware, there are currently Federally funded incentive programs in place designed to incentivize rural business owners to install renewable energy systems on their property. Farmers in many other parts of the country are taking advantage of these programs and becoming more competitive in their industries. It is important that the Idaho PUC establish policies which will enable Farmers, Dairymen and women, and Ranchers in Idaho to also benefit from these financial incentives while they exist, and not implement policies which would impede them from doing so.

Bruce Smithhammer, Victor, 10/16/2020

I live in a rural, agricultural community, as many of us in Idaho do, and these proposed changes represent a negative impact on our community and the ability of our farmers and business owners to make independent decisions that benefit their businesses, as well as the power grid in general.

...

Idaho stands for resiliency, independence and limited government intervention. Let's support those core values in our approach to power as well.

Russell Schiermeier (Intervenor Comments), Schiermeier Farms, Bruneau, 10/27/2020

P2: Fortunately, my operation spans 23 meters over 3200 acres of continuous land and met the requirement to size the system to offset a portion of the lifting and pressurization of the irrigation system. Due to the 100-kW limitation, the system utilized 8 sites to be aggregated over the same feeder line to offset approximately 1000 of the 2890 hp. The 100-kW limitation

added a few levels of complexity and specific sites were chosen to utilize unproductive or unfarmed land.

P3-4: Idaho Power also included a pamphlet in the September 2019 billing statements that addressed customer generation. The pamphlet addressed cost versus benefits and return on investments, calculating the Approximate Solar Payback Time ranging from 16 to 29 years3. The second concern addressed "Gaming of Meter Aggregation." As stated before, my system was specifically designed with Idaho Power to utilize the allowed aggregation rules to offset a portion of my annual system loads restricted by the 100-kW requirement. As a system, the project offsets less than 40% of my actual load, but Idaho Power argued in IPC -E-19-15, "the current criteria of meter aggregation incentivizes these customers to oversize their systems in order to generate Excess Net Energy to be transferred to other sites, rather than installing generation that is more aligned with the customer's usage needs."4

P7: Agriculture in Idaho has changed since I began in 2008. The opportunity to build a farm during the changing period has allowed me to adapt to a new farming system focused on efficiency of production with a transition to conservation goals. Working with Idaho power has been an honor and one of my operation's biggest assets. Nationally, Idaho has an agricultural advantage over most of the county with its reliable power and water infrastructure. Being able to utilize unused ground to harvest the sun's energy at the pump site is a big opportunity for farmers. The Net Metering program is a unique opportunity to recover investment in our land and continue the most efficient irrigation system possible.

<u>City of Boise (Intervenor Comments)</u>, 10/27/2020 (Note: The City of Boise owns and operates Twenty Mile South Farm, including 24 different irrigation service accounts with Idaho Power)

P4: Farmers and irrigators play an important role in supporting Demand Side Management and Peak Load Reduction programs and it is important to consider the impacts that constraints to onsite generation for these customers have on all of Idaho Power's customers and projected future needs to address peak demand with additional generation.

P4: On August 21,2002, Order No. 29094 (IPC-E-02-4) established two-meter interconnection requirements as well as a 100kW cap at each meter point for onsite generation for Schedule 84 customers. Since that time, Boise City is not aware of any subsequent applications filed by the Company to address the l00kW cap. Concerns with the 100kW cap were noted in testimony during the recent public comment sessions held by the Commission in this Case No. IPC-E-20-26. By contemplating updates to meter interconnection requirements for Schedule 84 customers with onsite generation, the Commission should also evaluate the

100kW cap which places economic and design constraints on these customers with onsite generation.

P4-5: Should the Commission decide not to defer action on this docket, Boise City requests that the Commission: 1) allow customer flexibility for metering and interconnection requirements; 2) grandfather existing customers indefinitely; and 3) acknowledge the role of onsite generation towards future generation and peak demand reduction and ensure this Application does not negatively impact onsite generation customers.

Below are excerpts from a sampling of commenters who did not identify as farmers

Isaac Santos, Kuna, Idaho 10/14/2020

Where I live, in rural Kuna, I drive past countless farms on my commute into Boise. I am confronted daily with the plots of land and the individuals who provide food for our community and beyond. And I understand that the general trend over the last century has been unequivocal: it is getting harder for most farmers to make a living. Farmers are the foundation of our society, and they deserve our utmost respect and support. We should be making it easier, not more difficult, for farmers to raise future generations of land stewards, and to put food on their own tables. The current solar energy program is an incredible example of helping farmers. All customers, especially farmers, should have a right to increase their capacity to harness sustainable energy.

Daniel Moncayo, Rexburg, Idaho 10/19/2020.

Historically, power companies like Idaho Power are a regulated monopoly. They have a vested interest to increase barriers to entry to their market, where they are the sole seller. Their recent initiatives to reduce or eliminate net metering options for consumers is a violation of the trust we have placed on them. Solar power and other sustainable means of generation are necessary for our power independence and progress. Don't allow the financial benefits of Idaho power to infringe on the rights and freedom of consumers. We allow the power companies to earn a return without competition, they should therefore accommodate consumers and align their interest with the good of the communities they serve. If they are not willing to do that, they should loose their monopoly protection and the special accommodation we make for them.

Nancy Basinger, Boise, 9/22/2020

As a friend of a farmer in Idaho, I know that electricity costs for irrigation are among his biggest expenses. As a state that supports personal freedom and responsibility, our regulations should support each of us having the freedom to invest in our own energy independence. For farmers with high electricity bills but lots of space for solar installation, it makes sense to have the option to invest in their energy independence. Please do not agree to let Idaho Power create

uncertainty for those who want to invest in energy independence by changing the rules without a plan. These are long term investments that require certainty to make financial sense. If we are serious about supporting the agricultural way of life in Idaho, give farmers and ranchers the ability to plan for the future

Erin Howland, Hailey 10/20/2020

Lift the 100 kW/meter cap on solar installations and allow farmers to invest in solar systems that meet their farm's full energy needs.

Cathy Anderson, Nampa, 12/21/2020 (not farmer)

Farmers deserve a fair and assessable solar program to help meet their energy needs, stabilize their energy costs, and build resilience.

Kim Mazik, Hailey, Idaho, 10/15/2020

I am not a farmer but have friends who are and understand that power costs are among the most expensive inputs to farms with irrigation pumps. To control costs and be more self-reliant, farmers across Idaho are choosing to install solar panels. Why though is Idaho Power trying to end the current net metering program before creating any replacement program.?

Lindsay Meloy, Boise, Idaho, 10/11/2020

I am asking you to protect a farmer's right to control their own power bills with home-grown energy.

Carrie Taylor, Inkom, Idaho 10/8/2020

Ag and commercial customers have the right to fair rules, to choose energy independence for their property, and stabilize their energy costs. Tell Idaho Power they should allow farmers and families to meet their own energy needs. Right now, Idaho Power has limited commercial and Ag operations to 100 kW maximum of net metering. This is an arbitrary limitation and should be removed.

Kayla Anrdt-Lane, Rathrum, Idaho 10/6/2020

I am asking for this to ensure Idaho Power maintains fair export credit rates and accurately values the extra power customer-solar provides, also giving farmers the freedom to invest in a solar system that's large enough to meet their energy needs, and for fair rules that treat farmers the same as everyone else and value their hard-earned investments.

Elizabeth Jeffrey, Hailey, Idaho, 10/7/2020

Currently, farms and businesses can only install up to 100 kilowatts of solar per meter. Many business and irrigation pumps require much more power than that. This arbitrary 100 kilowatt

cap means a business or farmer cannot offset all of their own needs and would obviously buy the remainder from Idaho Power.

Philip Weidemaier, Boise, Idaho 10/6/2020

Idaho Power is trying to restrict net metering and this is wrong. They have all the control over the energy sector in my area. While they are trying to go clean, they want to restrict individuals right to make their own energy. In my opinion, people have a right to produce and use their own solar energy.

Don Kemper, Citizens Climate Lobby, Boise Idaho 10/5/2020

The Jim Bridger plant emits over 12 million tons of CO2 each year. That's often needed to meet peak summer power demand. However, since irrigation was responsible for 26.6% of Idaho Power's total power demands in July 2019 extending Schedule 84 provides a path for greatly reducing coal generation. Solar for irrigation matches peak solar days with peak demand days and 75% of peak hours.

Muriel Roberts, Pocatello, Idaho 10/1/2020

Farmers should not be limited in installing the total amount of power production they need for their operations.

Dennis and Sharon Rockwood, Boise, 10/27/2020

Farmers in Idaho are looking to invest in energy solutions that afford them long term control of their costs in energy.

Greg Mladenka, Pocatello, Idaho, 10/5/2020

The net metering program for solar energy should continue in a way that maximizes use of solar energy - including agricultural use for irrigation. By encouraging solar energy use for irrigation at a fair and stable price, conventionally-produced power can be used in other markets, while reducing the need to build more conventional power plants/hydroelectric facilities. In the long term, use of alternative energy sources such as solar (or wind) could result in eventually removing a dam or two. This has broad ranging implications, including increased energy security and river recovery for salmon.

4. Letter from a coalition of 16 organizations, 10/27/2020

Dear Commissioners,

We are a group of organizations that represent thousands of members in the state who are Idaho Power customers.

We are writing to express our concerns about Idaho Power's recent proposal to change its solar net metering program for heavy use customers such as farms and businesses.

We believe these changes would make it harder for farmers and business owners to 'go solar' in the future and impact the financial investments of those who currently have solar energy systems.

Idaho's agriculture is a pillar of the state's economy and a vital piece of this state's history and culture. The option of solar power generation for farmers will be essential to control their growing power costs, build resilience, and gain energy independence as the state and Idaho Power transition towards a clean energy future. The success and recent growth of Idaho Power's irrigation net metering program—that this Commission approved years ago—is proof that **this program is economically beneficial for farmers in Idaho**, who are actively seeking solutions like solar to lower and stabilize their energy costs.

Idaho Power's proposal would stifle this successful program by granting legacy status to existing systems on December 1 of this year, allowing those customers to continue with the current program while sending a strong message to anyone who wants to go solar *after* that date that significant changes in the program are on the horizon. **The resulting "wait and see" period would be unfair to those farmers and business owners in the months and perhaps years until Idaho Power develops its new solar partnership program.** Creating this period of significant uncertainty reduces the resilience of Idaho's agricultural sector, takes rights away from farmers, and creates a barrier in a farmer's ability to make the best decision for the future of their operation.

We urge you to delay the legacy status effective date for this program until Idaho Power has a new and fair replacement program in place, so that farmers and business owners who wish to invest in solar, now and in the future, have a program that they can evaluate and make sound decisions from.

And when the legacy status date is established, the period must be for at least 25 years, consistent with the period that you granted residential customers last year. Idaho Power's proposal of 10 years is unfair to the farmers and business owners who have invested their hard-earned dollars in solar energy systems that last 25+ years and who deserve some consistency in their projected payback period.

Additionally, we urge you to lift the arbitrary 100 kilowatt-per-meter cap on customer-owned solar installations that creates significant financial and logistical barriers for farmers and business owners who deserve the ability to invest in solar energy systems that are large enough to meet their energy needs.

Idaho has a proud history of resilience and independence, with farmers at the heart of that history. Today, in the face of an ever-changing energy landscape, it is essential that Idaho farmers are given the ability to maintain those qualities through policies and programs that provide clear, reasonable, and assessable energy choices centered around a clean energy

future. Idaho Power's proposal would accomplish the opposite. Solar irrigation capacity is only 0.7% of Idaho Power's current system load, even after significant recent growth. *Please don't let Idaho Power restrain a program that affects its system so little but benefits individual farmers so much.*

Respectfully,

Associated Students of Boise State University (ASBSU) Sustainability

Committee

Boise Bicycle Project

Citizens Climate Lobby Boise

Citizens Climate Lobby Pocatello

Climate Action Coalition of the

Wood River Valley

Conservation Voters for Idaho

Idaho Organization of Resource

Councils

Idaho Rivers United

Idaho State University Sustainability Club

Portneuf Resource Council

Snake River Alliance

Sun Valley Institute for Resilience

U.S. Green Building Council,

Mountain

Region Visión 2C Resource Council

(Canyon County)

Weiser River Resource Council

Winter Wildlands Alliance