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July 19, 2022

VIA ELECTRONIC FILING

Jan Noriyuki, Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd., Bldg 8,
Suite 201-A (83714)
PO Box 83720
Boise, Idaho 83720-0074

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. Noriyuki:

Attached for electronic filing is Idaho Power Company's Comments in the above-referenced matter.

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

Very truly yours,

Megan Goicoechea Allen

MGA:sg
Attachment

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Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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

Idaho Power Company ("Idaho Power" or "Company") respectfully submits the following Comments in opposition to Clean Energy Opportunities for Idaho's ("CEO") Petition ("Petition") and in support of the Company's Motion to Dismiss in the above-entitled case pursuant to Rule 203 of the Rules of Procedure of the Idaho Public Utilities Commission ("Commission") and the Notice of Modified Procedure, Order No. 35453, issued by the Commission on June 28, 2022.

The Company appreciates the opportunity to offer Comments in this case to discuss the problems with addressing the issues raised in CEO's Petition separately through this docket as opposed to considering them within the context of the Commission-

directed process that is already well underway.¹ As set forth herein, such a disjointed approach would be inefficient and confusing with an end result that is, at best, duplicative, and at worst, contradictory. Moreover, CEO's mischaracterization of the Schedule 84 project eligibility cap as solely a "system design parameter" and its request to bifurcate the issue has already been made, considered, and rejected, and a new docket is not the proper forum for CEO to dispute the Commission's prior decisions.

I. IDAHO POWER SUPPORTS ON-SITE GENERATION.

1. Idaho Power firmly believes that every customer should have access to reliable, affordable, clean energy – and the ability to generate their own electricity if they want. Its efforts to modernize its outdated net metering offerings to better align with the bidirectional relationship of on-site generation have resulted in a series of customer self-generation related dockets culminating in the recent filing of the comprehensive study it conducted, at the Commission's behest, of the costs and benefits of on-site generation to help inform future changes to the on-site generation service offerings in Case No. IPC-E-22-22 (hereinafter referred to as "Study").²

2. The Company is committed to establishing a customer generation service offering that reduces structural uncertainty going forward while continuing to give customers the flexibility to generate their own energy at their home or business. While it is supportive of customer choice, the Company is not able to rely on non-firm, non-dispatchable resources to meet near-term capacity deficiencies, and so contrary to CEO's

¹ See In the Matter of Idaho Power Company's Application to Complete the Study Review Phase of the Comprehensive Study of Costs and Benefits of On-Site Customer Generation & For Authority to Implement Changes to Schedules 6, 8, and 84 for Non-Legacy Systems, Case No. IPC-E-22-22 (referenced infra as the "Study Review and Implementation Docket").

² Case No. IPC-E-22-22, Application (Jun. 30, 2022).

assertion,³ capacity from an on-site generation facility will not adequately address identified 2023 deficiencies.

3. As the administrative history demonstrates, there are a number of complex and interrelated issues surrounding the topic of on-site generation, and the regulatory process has been supported by numerous engaged and passionate individuals and groups working to find a viable solution.

4. Agribusinesses, the subject of CEO's Petition, **are only one class** of stakeholders interested in the ultimate resolution. Currently, customers that generate their own electricity and interconnect with exporting systems are billed under different rate schedules as follows: Schedule 6, Residential Service On-Site Generation ("Schedule 6"), Schedule 8, Small General Service On-Site Generation ("Schedule 8"), and Schedule 84, Customer Energy Production/Net Metering Service ("Schedule 84"), which is the schedule that commercial, industrial, and irrigation ("CI&I") customers (including agribusinesses) take net metering service under.

5. Idaho Power has appreciated the input from CEO and others acting on behalf of customers during the course of on-site generation proceedings. The Company will continue to be informed and guided by feedback as it develops its ultimate recommendation for potential modifications to the on-site generation service offerings for Commission consideration as part of the study review and implementation phase initiated by Case No. IPC-E-22-22 ("Study Review and Implementation Docket").

6. The Company disputes CEO's characterization of the eligibility cap as a veiled attempt to discourage customer-owned generation. Idaho Power supports

³ CEO's Response to Idaho Power Company's Answer and Motion to Dismiss ("CEO Response") at 7 (Jun. 1, 2022).

customer choice in solar and other clean energy choices in earnest and has a proven track record of working to improve the customer experience. CEO claims that, in seeking to dismiss the Petition, Idaho Power disregards the fundamental premises of its Petition: the fairness of allowing Idaho businesses the timely opportunity to access technology needed to manage costs and compete in commodity markets.⁴ Idaho Power is committed to supporting local businesses; the Company is not seeking dismissal of CEO's Petition to marginalize the concerns of agribusinesses but to ensure they are addressed in the most appropriate and efficient manner. The issues raised in the Petition are important and worthy of thoughtful, reasoned consideration, as are other components of the on-site generation service offering not identified in the Petition but subject to review in the Study Review and Implementation Docket.

7. In the meantime, in the event there are CI&I customers looking for immediate opportunities to utilize technology to generate some of their own electricity, options currently exist that would enable them to do so. For example, any customer can choose to interconnect their non-exporting system per the Commission-approved tariff requirements so that they consume all the energy generated on-site.⁵ CI&I customers also may choose to sell their renewable energy as a Qualified Facility to Idaho Power under Schedule 86, Cogeneration and Small Power Production Non-Firm Energy.⁶

8. Idaho Power's efforts are not intended to hinder customer-owned generation but to achieve a long-term solution through thoughtful, careful planning. The Company has devoted significant time and resources to ensure that customers with on-

⁴ CEO Response at 4.

⁵ See Idaho Power Company's Answer and Motion to Dismiss at 3 (May 18, 2022).

⁶ See *id.* at 18.

site generation will have a service offering available to them that is scalable, sustainable into the future, and fair to all customers.

II. CEO'S CONCERNS ARE WITHIN THE SCOPE OF THE STUDY REVIEW AND IMPLEMENTATION DOCKET.

9. The Study submitted by Idaho Power in Case No. IPC-E-22-22 is now available for public review and input. The Study analyzes the benefits and cost of on-site generation within the Company's service area, which involves consideration of a number of interconnected and interdependent matters, including those that CEO seeks to have addressed in the instant case docket as more fully set forth below.

10. The Study provides information that the Commission, Idaho Power, and other stakeholders will use to determine whether and what changes should be made to Idaho Power's existing customer generation service offering for all customer classes (Schedules 6, Schedule 8, and Schedule 84). Allowing one class of customers to address certain components within a parallel proceeding would be inefficient and inexpedient.

Project Eligibility Cap

11. CEO's first request is for the Commission to modify the project eligibility cap for Schedule 84 customers to 100% of a customer's maximum demand. Pursuant to the Study Framework⁷ as authorized by the Commission, this issue is addressed in Section 9 of the Study.

12. In pursuing this issue in a parallel proceeding to the Study Review and Implementation Docket, CEO has attempted to distinguish the project eligibility cap from the "compensation matters" driving the Study by asserting the cap is merely a "system

⁷ In the Matter of Idaho Power Company's Application to Initiate a Multi-Phase Collaborative Process for the Study of Costs, Benefits, and Compensation of Net Excess Energy Associated with Customer On-Site Generation, Case No. IPC-E-21-21, Order No. 35284 at 25 (Dec. 30, 2021).

design parameter”.⁸ Semantics aside, the Commission recognized that analysis of the project eligibility cap, which was put in place, in part, to mitigate cost-shifting concerns, should not be conducted in a vacuum but considered as part of the larger effort to comprehensively review the Company’s on-site generation service offering.⁹ The Commission also noted that analysis of the project eligibility cap should include evaluation of concerns previously raised by the Commission regarding “safety, service quality, and grid reliability.”¹⁰

13. Likewise, CEO’s contention that this separate proceeding is necessary to protect the interests of CI&I customers is based on a mistaken premise, *to wit*, that CI&I customers are not within the scope of the Study Review and Implementation Docket; “an Order in [a residential and small general service] docket to consider customer concerns is poor reason to dismiss a proposal to address CI&I concerns not represented in that docket.”¹¹ In support of its assertion that CI&I customer concerns will not be addressed within the Study Review and Implementation Docket, CEO cites to a scheduling order from Case No. IPC-E-19-15, which indicates that CI&I concerns were not within the scope of the docket establishing the study review phase.¹²

14. This reference, however, is taken out of context, mischaracterizes the Commission’s order, and disregards subsequent rulings; the Commission made clear it expected consistent application of principles across dockets and noted that there would

⁸ CEO Response at 5-6.

⁹ Case No. IPC-E-21-21, Order No. 35284 at 25.

¹⁰ *Id.*

¹¹ CEO Response at 22.

¹² In the Matter of Idaho Power Company’s Application for Authority to Study the Measurement Interval, Compensation Structure, and Value of Net Excess Energy for On-Site Generation Under Schedule 84 and to Temporarily Suspend Schedule 84 Net Metering Service to New Idaho Applicants, Case No. IPC-E-19-15, Order No. 34335 at 1 (May 15, 2019).

be opportunities to address issues related to the project eligibility cap for CI&I customers relative to the “forthcoming comprehensive study.”¹³

15. The Study, in fact, incorporates data for residential, small general, commercial, industrial, and irrigation customers with exporting systems and includes: an evaluation of the existing cap for each customer type; an evaluation of technological improvements and standardization relative to safety, service quality, and grid reliability concerns; consideration of the merits of a project eligibility cap set relative to a customer’s demand; and evaluation of the impact of a modified cap on interconnection requirements and distribution system operations and other implementation considerations.¹⁴

16. In addition to mischaracterizing the issue of the project eligibility cap for CI&I customers as outside the purview of the Study (despite its explicit inclusion in the Study Framework and corresponding coverage in the Study), CEO contends that it is most practical to address potential cost-shifting, which project eligibility caps are in part intended to regulate, through rate design changes rather than an arbitrary cap.¹⁵ Idaho Power agrees, and in fact, this is precisely why the cap should be considered in conjunction with the changes to the compensation structure in the Study Review and Implementation Docket. Some of the concerns related to cost shifting will indeed be mitigated as a result of modifying the compensation structure, but the actual impact, which should be an important consideration in modifying the cap, will not be known until the on-site generation service offering fundamentals are decided upon.

¹³ 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, Case No. IPC-E-20-26, Order No. 34854 at 12 (Dec. 1, 2020).

¹⁴ Case No. IPC-E-22-22, Value of Distributed Energy Resources (VODER) Study at 97-102 (Jun. 2022).

¹⁵ CEO Response at 9.

17. CEO's argument that the cap should be modified posthaste to enable CI&I customers to make better-informed investment decisions is unavailing considering the Commission's previous remarks relative to potential investors' risk assessment vis-à-vis the variable nature of tariffs.¹⁶ In addressing the impact of uncertainty surrounding the net metering service offering on investment in solar generation the Commission stated:

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.¹⁷

18. This same reasoning applies to CEO's request to implement a change to the Schedule 84 cap "before the Fall 2022 deadline for investment decisions by agribusinesses."¹⁸ Agribusinesses' desire to make more informed investment decisions and/or take advantage of tax credits and funding is simply not an adequate justification for implementing a change to the project eligibility cap for one class of customers on an expedited basis and without regard to other components of the on-site generation service offering in the Study Review and Implementation Docket. To reiterate, these customers are not left without an option to install renewable generation and claim the associated tax credits; they have the option to install a Qualifying Facility of up to 10 MW under the terms of Schedule 86.

¹⁶ See, e.g., In the Matter of the Application of Idaho Power Company to Study the Costs, Benefits, and Compensation of Net Excess Energy Supplied by Customer On-Site Generation, Case No. IPC-E-18-15, Order No. 34509 at 12-13 (Dec. 20, 2019); Case No. IPC-E-20-26, Order No. 34854 at 10-11; Case No. IPC-E-21-21, Order No. 35284 at 10.

¹⁷ Case No. IPC-E-20-26, Order No. 34854 at 10-11.

¹⁸ CEO Petition at 4 (Apr. 28, 2022).

Transition Guideline

19. CEO's second request is for the Commission to establish a Transition Guideline that improves predictability and stability of rates by setting a limit to the pace at which compensation for excess energy may change for Schedule 84 customers if and when an Export Credit Rate ("ECR") is implemented. This issue is addressed in Section 11 of the Study.

20. CEO has requested a Transition Guideline to provide CI&I customers "better ability to model a range of risks associated with future export credit rates yet allows latitude for different transition plans."¹⁹ Specifically, CEO proposes establishing a Transition Period Guideline that borrows concepts from the transition plan included in the rejected Settlement Agreement in Case No. IPC-E-18-15 ("Settlement Agreement")²⁰ including: a glide path to transition to a new credit value for exports, crediting exports at Blended Base Energy Rate for the first two years of implementation, and implementing changes to the export credit value every two years.²¹

21. The transition plan was included as part of the compromise reached on several fundamental aspects of the Company's on-site generation service offering as set forth in the Settlement Agreement, and it would be inappropriate to pull select elements from a compromise reached on the entirety of issues. Moreover, the Settlement Agreement was non-binding and is defunct after being rejected by the Commission in its entirety.²²

¹⁹ *Id.* at 10.

²⁰ Case No. IPC-E-18-15, Motion to Approve Settlement Agreement (Oct. 11, 2019) and Order No. 34509 at 6.

²¹ CEO Petition at 11-12.

²² Case No. IPC-E-18-15, Order Nos. 34509 and 34546.

22. CEO's request for a Transition Guideline, again, stems from agribusinesses' desire for predictability and stability relative to export compensation and a purportedly crucial need to address these concerns as a result of certain circumstances.²³ Idaho Power recognizes the desire for certainty and, to that end, has proposed a procedural schedule that would position the Commission to issue an order directing changes to the on-site generation service offering, including compensation structure (i.e., measurement interval and ECR) by December 30, 2022, which could be implemented by the Company as soon as June 1, 2023. The Company's proposed schedule belies CEO's suggestion that it may be 2024 before any changes to net-metering compensation are implemented.²⁴

23. While the Company understands that CI&I customers would prefer certainty and predictability in making investment decisions so that they can remain competitive in their respective markets,²⁵ the Commission has made clear that it is not their role to guarantee a return on investment for customers and repeatedly emphasized that customers should consider the uncertainty of program design when deciding whether to invest in on-site generation.²⁶

24. After delineating the parameters for legacy treatment of Schedule 84 customer generators, the Commission set the standard for CI&I customer generators going forward: "Following our pronouncements in the orders in these cases, made after extensive briefing, public testimony, and deliberation, that the program fundamentals are

²³ CEO Response at 2, 11-12.

²⁴ *Id.* at 11.

²⁵ *Id.* at 8.

²⁶ See, e.g., Case No. IPC-E-18-15, Order No. 34509 at 12-13; Case No. IPC-E-20-26, Order No. 34854 at 10-11; Case No. IPC-E-21-21, Order No. 35284 at 10.

likely to change in the not too distant future, the reliance on long-term program stability will no longer be reasonable given the ongoing evaluation of the programs.”²⁷

25. The Commission having already concluded that customers should have no reasonable expectation of program stability moving forward, the request for a Transition Guideline to address “customer requests for better predictability and stability of export rates”²⁸ is inapposite.

26. Moreover, asking the Commission to establish a transition period in this docket is misplaced. It is unclear, for example, on what basis the Commission would be able to set a pace for changing the compensation for excess energy prior to implementing a methodology for compensating excess energy – a critical element that must be known prior to the Commission having sufficient information to assess the reasonableness and/or parameters of a transitional period.

27. Stated differently, CEO’s proposal of a reasonable sideboard to the pace of change in export compensation value is unmoored in this docket. It is the Study Review and Implementation Docket – not this one – that includes the necessary data that will ultimately inform what changes to Idaho Power’s existing customer generation service offering should be implemented and the timing of that implementation. Interested persons and parties in the Study Review and Implementation Docket will have the opportunity to review the Study and assess the impact of changes to the on-site generation service offering and the appropriateness of a transition period.

28. As noted by CEO, nothing in the Commission’s previous orders prohibits a non-utility party from presenting proposals on how to implement information that results

²⁷ Case No. IPC-E-20-26, Order No. 34854 at 10-11.

²⁸ CEO Response at 21.

from the Study.²⁹ Other parties can and should present proposals on implementation as informed by the Study; Idaho Power's proposed procedural schedule in the Study Review and Implementation Docket provides for all-party comments proposing recommendations for implementation. Idaho Power is interested in receiving input from CEO and others, but it cannot elevate the concerns of one class of stakeholders separate from all others, which would be the effect of following CEO's suggested course of action in its Petition.

III. CEO'S REQUEST HAS ALREADY BEEN MADE AND RULED UPON.

29. CEO's argument that its Petition is not intended to challenge Order No. 35284 is unconvincing when one reviews the record: "The Petition is not a collateral attack on any existing order – it is a new request to implement a change to a system design parameter, the 100kW cap, after Idaho Power files the study yet on a faster schedule than Idaho Power would otherwise propose."³⁰

30. CEO's request to modify the project eligibility cap for Schedule 84 customers is not a new request and its attempt to characterize it as such is belied by the record in Case No. IPC-E-21-21. As stated in CEO's initial comments on Idaho Power's application:

To complete this study process in a fair, focused, and timely manner, we propose that a path for studying the pros and cons of updating the CI&I cap according to customer demand be completed under a separate docket launched as soon as possible after an order issues on this study design proposal. The separate CI&I cap docket should review a cap no less than a customer's peak electric load.³¹

This request was reiterated in CEO's reply comments:

The added costs to CI&I customers imposed by the 100kW project eligibility cap and the discouragement of investments in customer-owned generation should continue no longer than absolutely

²⁹ CEO Response at 6.

³⁰ *Id.*

³¹ Case No. IPC-E-21-21, Initial Comments of CEO Regarding the Scope of the Study at 6 (Oct. 13, 2021).

necessary. Given prior discussion with stakeholders, CEO believes the pros and cons of changing the project eligibility cap for CI&I customers could be resolved in a more-timely manner. CEO proposes that the Company file an application proposing changes to the CI&I cap, which should be no less than a customer's peak electric load, as soon as possible.³²

31. Moreover, CEO's request was squarely addressed by the Commission in Order No. 35284:

CEO proposed that the Company file an application proposing changes to the CI&I cap, which should be no less than a customer's peak electric load, as soon as possible. CEO 11/30/2021 Comments at 5. CEO emphasized that this element of the evaluation should occur in a separate docket and that the Commission has broken out other eligibility issues in the past. CEO 10/13/2021 Comments at 2, 4, 6 and 7.

...

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. The analysis of the project eligibility cap should also include an evaluation of concerns previously echoed in Order No. 28951 and Order No. 29094, such as safety, service quality, and grid reliability.³³

32. The Commission has made clear that the nature of the issue requires a holistic approach, and as a result, it has previously declined to address it outside of the process already established by the Commission.³⁴ CEO's attempt to circumvent the Commission's prior ruling by submitting a new docket on this issue is improper and should not be allowed.

³² Case No. IPC-E-21-21, Reply Comments of CEO at 5 (Nov. 30, 2021).

³³ Case No. IPC-E-21-21, Order No. 35284 at 25.

³⁴ See Case No. IPC-E-20-26, Order No. 34854 at 12 (Dec. 1, 2020) ("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.") and Case No. IPC-E-21-21, Order No. 35284 at 25 ("We find that a separate docket is not necessary to study these items.").

IV. NON-FIRM, NON-DISPATCHABLE ENERGY SOURCES ARE NOT A VIABLE SOLUTION TO ADDRESS THE ANTICIPATED CAPACITY DEFICIT.

33. As justification for the urgent nature of its request and the need for a parallel proceeding to the Study Review and Implementation Docket, CEO cites the Company's impending capacity deficit, suggesting that agribusinesses could help mitigate the issue if the project eligibility cap were modified.³⁵ The idea that customer generation offers a solution to projected capacity deficits is a common theme that has been raised in many of the on-site generation dockets and was also raised by the City of Boise in comments it submitted in relation to CEO's Petition: "The City believes all available resources, including customer-owned [Distributed Energy Resources], should be pursued to meet this capacity deficit cost-effectively and efficiently."³⁶

34. Unfortunately this proposal is misplaced. As the Company has explained previously, it is not able to rely on non-firm, non-dispatchable resources to meet its near-term system deficiencies.³⁷

35. Idaho Power is expeditiously working to ensure it is able to meet the forecasted capacity deficit with firm, dispatchable resources. To this end, it conducted an extensive investigation to identify the least-cost, least-risk method of meeting the capacity deficit, including evaluation of several alternative options, and ultimately determined that dispatchable battery storage was the best solution to meet peak summer demand and is currently seeking approval to acquire this resource.³⁸

³⁵ CEO's Response at 7-8.

³⁶ City of Boise Written Comments at 1-2 (Jul. 13, 2022).

³⁷ Idaho Power Company's Answer and Motion to Dismiss at 17-18.

³⁸ See In the Matter of Idaho Power Company's Application for a Certificate of Public Convenience and Necessity to Acquire Resources to be Online by 2023 to Secure Adequate and Reliable Service to its Customers, Case No. IPC-E-22-13, Application for a Certificate of Public Convenience and Necessity (Apr. 29, 2022).

36. Idaho Power provides this explanation not to detract from the benefits of customer choice and interest in on-site generation, of which there are many, but to articulate why the solution offered by CEO (customer generation) does not meaningfully address the issue (anticipated capacity deficit).

V. PUBLIC COMMENTS

37. The Idaho Conservation League (“ICL”), City of Boise, and other members of the public filed comments in support of the Petition before July 19, 2022. Many of the arguments and positions made echo those of CEO in its Petition and Response, which are addressed herein and in the Company’s Answer and Motion to Dismiss. In addition, Idaho Power addresses certain specific points raised by ICL and City of Boise as follows.

38. Idaho Power appreciates ICL’s recognition of its past efforts to improve the customer generation service offering to ease impacts on customers in Case Nos. IPC-E-20-26 and IPC-E-20-30. As further elaborated below, these cases and others were pursued based on customer feedback and demonstrate incremental efforts to improve the status quo:

- In 2016, Idaho Power proposed a change to Schedule 84 metering requirements in Advice No. 16-05 in order to reduce barriers to participation for primary service-level customers who desired to install on-site generation by modifying the requirements related to the second meter’s location and voltage. The Company initiated the change based on feedback from customers that wanted to install net metering systems but found compliance with the existing metering requirement, which required installation of a second meter adjacent to the load meter, to be cost prohibitive. The

proposed tariff changes made it easier and less costly for CI&I customers to install systems by allowing the Company the discretion in determining whether the second meter would be located adjacent to, or on the customer's side of the Point of Delivery.

- In Case No. IPC-E-20-26,³⁹ the Company asked the Commission to modify the metering requirement under Schedule 84 from a two-meter to single-meter requirement. The request to remove the two-meter requirement for new Schedule 84 customers was based on concerns voiced by customers, installers, and stakeholders, of the incremental costs and complexities that exist as a result of the two-meter requirement.⁴⁰
- In Case No. IPC-E-20-30,⁴¹ Idaho Power sought, in part, to implement interconnection rules for customers with Distributed Energy Resources ("DERs") that do not wish to export excess net energy to the Company. Notably with respect to CI&I customers with non-exporting systems, the Company requested that there be no limit on total nameplate capacity, which enabled CI&I customers greater flexibility to install systems where they can consume all generation on-site.

39. Idaho Power also appreciates ICL's acknowledgment that the Study fulfills the "condition precedent to any consideration of programmatic changes,"⁴² while the

³⁹ Case No. IPC-E-20-26, Application (Jun. 19, 2020).

⁴⁰ *Id.* at 5.

⁴¹ In the Matter of Idaho Power Company's Application for Authority to Establish Tariff Schedule 68, Interconnections to Customer Distributed Energy Resources, Case No. IPC-E-20-30, Application (Jul. 20, 2020).

⁴² ICL Comment at 3 (Jul. 11, 2022) (quoting Idaho Power Company's Answer and Motion to Dismiss at 16).

Company awaits Commission confirmation and acknowledgement that the Study satisfies its directives.

40. The multi-phase process outlined by the Commission consisted of:

- (1) A "study design" phase – during which Staff and the Company were instructed to "host public workshops to share information and perspectives on net-metering program design with the public and to listen to customer concerns and input."⁴³
- (2) A "study review" phase - during which the public will have the opportunity to comment on whether the study sufficiently addressed their concerns and their opinions on what the study shows.⁴⁴

41. The "study design" phase having been accomplished in Case No. IPC-E-21-21, the "study review" phase, initiated with the filing of the Study in Case No. IPC-E-22-22, is now underway. Consistent with the process directed by the Commission and in the interest of efficiency and fairness, it is the Study Review and Implementation Docket from which any changes to the on-site generation service offerings should flow.

42. Attempting to justify pursuit of changes to the Schedule 84 project eligibility cap via a separate proceeding, ICL claims that the cap, being a "design issue, not a cost or compensation issue," should not be addressed in what it characterizes as a "financial proceeding,"⁴⁵ to wit: "The program design issues related to system caps are better addressed in a separate docket that is not also evaluating the complex cost and compensation issues of the ECR."⁴⁶ However, this position is directly at odds with the

⁴³ Case No. IPC-E-18-15, Order No. 34509 at 9-10.

⁴⁴ *Id.*

⁴⁵ ICL Comment at 6.

⁴⁶ *Id.*

plain language of the Commission's mandate: "It is critical for the Commission to have a credible and fair study in front of it before it can make a well-reasoned decision on the Company's **net-metering program design**."⁴⁷ Thus, the Commission's own words undermine ICL's attempt to narrow the scope of the Study Review and Implementation Docket as only constituting a "financial proceeding."

43. Likewise, ICL misstates facts in support of its claim that "Idaho Power recognizes the challenges associated with combining multiple issues into one proceeding" as demonstrated by it holding a public workshop that focused only on the ECR. Contrary to ICL's characterization, the workshop referred to was not held as a result of Order No. 34509 in Case No. IPC-E-18-15, which directed that public workshops be held as part of the "study design" phase (which the Company complied with during Case No. IPC-E-21-21).⁴⁸ The public workshop ICL refers to was held on May 2, 2022, and was not ordered by the Commission but was a voluntary workshop hosted by the Company to seek public input during the development of the Study. As articulated in the Company's materials filed in IPC-E-22-22, the May 2022 workshop focused on the ECR because most public comments and parties' interest in Case No. IPC-E-21-21 centered on the compensation for excess net energy.⁴⁹ It was not intended to be inclusive of all items previously directed to be studied by the Commission.

44. The Company does not believe that pursuing the Schedule 84 project eligibility cap in a separate docket is justified or judicious. The multi-phase process should

⁴⁷ Case No. IPC-E-18-15, Order No. 34509, at 9 (emphasis added).

⁴⁸ *Id.* See also Case No. IPC-E-21-21, Order 35284 at 2 for information on public workshops as part of that phase. On October 20, 2021, Idaho Power held a public workshop where it presented the scope of the study.

⁴⁹ Case No. IPC-E-22-22, Application at 12.

continue as directed by the Commission and changes should be considered for all customer classes in the same proceeding, i.e. the Study Review and Implementation Docket.

VI. CONCLUSION

45. Idaho Power understands that its current and prospective net metering customers desire more certainty regarding the future structure of the on-site generation service offering as soon as possible – Idaho Power does as well. The Company's arguments here should not be interpreted as a desire to slow down or stop necessary changes. Given the manner in which these cases are typically processed, it is unlikely that a final order informed by public participation would be issued materially sooner in this CI&I-specific docket than an order in the more comprehensive Study Review and Implementation Docket. However, simultaneous dockets will necessarily require additional party and Commission resources to process both concurrently and may increase the likelihood that an order providing more comprehensive certainty in the Study Review and Implementation Docket is delayed.

46. Consequently, as more fully set forth herein, allowing CI&I customers to avail themselves of a separate, expedited process in order to address one component of the Schedule 84 service offering would be inefficient and inequitable. The issue of the project eligibility cap and the propriety and parameters of a transitional period should be considered and addressed holistically in consideration of other program fundamentals and on the same footing as other customer classes in the Study Review and Implementation Docket. Therefore, Idaho Power respectfully requests that the Commission dismiss CEO's Petition.

Dated at Boise, Idaho, this 19th day of July 2022.

Megan Goicoechea Allen

MEGAN GOICOECHEA ALLEN
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 19th day of July 2022 I served a true and correct copy of the within and foregoing Idaho Power Company's Comments upon the following named parties by the method indicated below, and addressed to the following:

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