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IDAHO PUBLIC  
UTILITIES COMMISSION

LISA D. NORDSTROM  
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November 2, 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-22-25  
*Sara and Matthew Hartzheim vs. Idaho Power Company*

Dear Ms. Noriyuki:

Enclosed for electronic filing please find Idaho Power Company's Answer in the above matter.

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

Very truly yours,

Lisa D. Nordstrom

LDN:sg  
Enclosures

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Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

Sara E. Statz Hartzheim and Matthew Hartzheim,	)	
	)	Case No. IPC-E-22-25
Complainants,	)	
	)	IDAHO POWER COMPANY'S
vs.	)	ANSWER
	)	
Idaho Power Company,	)	
	)	
Respondent.	)	

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COMES NOW, Idaho Power Company ("Respondent", "Idaho Power" or "Company"), and pursuant to Procedural Rule 57, now answers the Summons of the Idaho Public Utilities Commission ("Commission") dated October 21, 2022, concerning the formal Complaint ("Complaint") of Sara E. Statz Hartzheim and Matthew Hartzheim ("Complainants" or "Hartzheims").

While the Complainants contest the Company's application of the existing Schedule 6 tariff conditions and the Commission's grandfathering (or "legacy") criteria to

their current circumstance, Idaho Power is reluctant to suggest that an exception be made for several reasons that are broader than the circumstances presented in this complaint. Moreover, Idaho Power does not believe it can unilaterally take action under existing Idaho law that is different than that currently permitted by Commission's orders and the Company's Commission-approved tariff. Idaho Power respectfully requests the Commission issue its Order denying the Complainants' requested extension of the grandfathering period or, alternatively, to establish objective exception criteria to be administered by Staff in the event the Commission deems a hardship exception appropriate.

## I. FACTUAL AND LEGAL BACKGROUND

### *Legacy Net Metering Systems*

1. On September 30, 2013, the Commission approved the addition of Conditions of Purchase and Sale language in Idaho Power's Schedule 84 tariff.<sup>1</sup> These conditions were then incorporated into Schedule 6 (Residential Service On-Site Generation) in 2018 when Schedule 84 was closed to service for Idaho residential and Idaho small general service customers.<sup>2</sup> Included in the conditions governing transactions occurring under the respective schedules was a provision providing that entitlement to net metering service will lapse in the event the system is removed or disabled in excess

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<sup>1</sup> *In the Matter of Idaho Power Company's Application for Authority to Modify Its Net Metering Service and to Increase the Generation Capacity Limit*, Case No. IPC-E-12-27, email from Commission Secretary Jean D. Jewell with approved tariff submitted pursuant to Order No. 32846 and 32872 (Oct. 1, 2013 effective date).

<sup>2</sup> *In the Matter of the Application of Idaho Power Company for Authority to Establish New Schedules for Residential and Small General Service Customers with On-Site Generation*, Case No. IPC-E-17-13, Order No. 34046 (May 9, 2018). The newly authorized Schedule 6 was approved by the Commission on May 21, 2018, and became effective June 1, 2018.

of six (6) months.<sup>3</sup>

2. The Company's efforts to have the Commission review and modify outdated net metering offerings to better align with actual circumstances have resulted in a series of on-site generation related dockets through which incremental steps have been taken toward the ultimate goal of establishing a more sustainable offering by implementing a more equitable pricing and compensation structure. As part of that process, the Commission determined that it was prudent "to distinguish between existing customer and new customers based on the customers' reasonable expectations when making significant personal investments in on-site generation systems."<sup>4</sup>

3. In issuing Order No. 34509 on December 20, 2019, the Commission indicated that prior to that date, customers could have reasonably believed that net-metering program fundamentals would remain the same and made decisions to invest in on-site generation systems in reliance on that belief. In issuing that Order, however, the Commission established a firm cut-off for the reasonableness of this assumption: "After the issuance of this Order. . . we believe it will no longer be reasonable for a customer to assume the net-metering program fundamentals will remain the same over the expected payback period of their investment."<sup>5</sup>

4. Finding reasonable differences between existing and new net-metering customers based on the uncertainty that may have existed prior to the issuance of Order

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<sup>3</sup> The language appeared in the Conditions of Purchase and Sale as Section 8 in Schedule 84 (tariff sheet 84-4) and subsequently in Section 9 of Schedule 6 (tariff sheet 6-6).

<sup>4</sup> *In the Matter of the Petition 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 10 (Dec. 20, 2019).

<sup>5</sup> *Id.*

No. 34509, the Commission established criteria to define legacy treatment for existing systems under Schedule 6 and Schedule 8.<sup>6</sup> Legacy systems are subject to the rules in place as of the service date of Order No. 34509, including the excess energy compensation structure. The Commission determined that Schedule 6 and Schedule 8 systems that qualify for legacy treatment continue to be subject to changes in consumption rates but not to changes in the 1:1 monthly kilowatt-hour (“kWh”) retail rate compensation structure until legacy status terminates on December 20, 2045.

5. Subsequently, the Commission issued Order No. 34546 on reconsideration in which it agreed to grandfather by system not by customer and identified four (4) criteria to retain grandfather/legacy status of the system:

- A customer who moves into a property with a grandfathered net-metering system gets to “inherit” the grandfathered status of the system;
- If a system is offline for more than six months, or is moved to another site, the grandfathered status of the system is forfeited;
- To allow for the replacement of degraded or broken panels, the customer may increase the capacity of the grandfathered system by no more than 10% of the originally installed nameplate capacity, or 1 kW, whichever is greater; and
- Grandfathered status terminates December 20, 2045.<sup>7</sup>

6. As of October 20, 2022, there are 5,147 legacy and 7,133 non-legacy residential and small general service systems interconnected to Idaho Power’s system under Schedule 6 (Residential On-Site Generation).

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<sup>6</sup> See Case No. IPC-E-18-15, Order No. 34509 at 14-15 and Order No. 34546 at 8-11 (Feb. 5, 2020).

<sup>7</sup> Case No. IPC-E-18-15, Order No. 34546 at 9.

*The Hartzheims' Net Metering Service*

7. Customers of record Sara Statz Hartzheim and Matthew Hartzheim began taking residential electric service under Schedule 1 at 356 West Hidden Meadow Way in Middleton, Idaho, on November 25, 2013.

8. Idaho Power received the Hartzheims' completed Customer Generation Application on September 18, 2018 (Attachment 1). When Idaho Power was notified that the customer's solar project was complete and in need of a meter exchange, Idaho Power requested a completed System Verification Form showing that the project had passed the state electric inspection. Ms. Statz Hartzheim responded that the system passed its electrical inspection on June 10, 2019, and included a picture with the "City of Middleton O.K. to Connect" inspection sticker (Attachment 2). The Hartzheims' installer, Intermountain Wind & Solar, submitted a System Verification Form to Idaho Power on June 13, 2019, for a 11.88 kW solar system. The System Verification Form represented that the system that had passed an electric inspection from the appropriate authority on June 12, 2019 (Attachment 3).

9. On June 17, 2019, Idaho Power performed an on-site inspection of the Hartzheims' system. The Idaho Power representative counted the number of panels, tested the AC disconnect, verified the inverter settings and model number, and confirmed electrical inspector approval. Having approved the 11.88 kW system size, Idaho Power personnel replaced the existing meter with a net meter, interconnected the solar array, and moved the account from Schedule 1 (Residential Service Standard Plan) to Schedule 6 (Residential Service On-Site Generation) that same day.

10. When the Commission issued Order No. 34509 that grandfathered customers with systems online by December 20, 2019,<sup>8</sup> the Hartzheims' account was already interconnected to Idaho Power's distribution system and thus grandfathered to legacy status.<sup>9</sup>

11. Ms. Statz Hartzheim contacted Idaho Power's customer service center on May 19, 2022, to advise Idaho Power that a fire<sup>10</sup> had occurred at her residence and to discuss options for account disconnection. The Hartzheims obtained temporary power service for irrigation and construction of a replacement home on the premises. The Idaho Power Customer Solutions Advisor also advised her that systems offline for six months could lose legacy status. When Ms. Statz Hartzheim stated that she wished to appeal this practice, a member of Idaho Power's Customer Generation team explained the rules outlined in Schedule 6 concerning offline systems and how that impacts legacy status.

12. On June 9, 2022, Ms. Statz Hartzheim contacted Idaho Power to inquire about maintaining the legacy status of her solar system given that it would take approximately one year to rebuild. In accordance with Schedule 6 and Commission precedent, the Customer Generation team advised Ms. Statz Hartzheim that legacy

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<sup>8</sup> Case No. IPC-E-18-15, Order No. 34509 at 10 and 14. Residential and Small Commercial customers could also be grandfathered if they made a finding financial commitment to install an on-site generation system as of December 20, 2019, and proceeded to interconnect their system within one year.

<sup>9</sup> A legacy (i.e., grandfathered) system is defined as either an on-site generation system interconnected with Idaho Power's system as of the service date of Order No. 34509 or a customer with a binding financial commitment to install an on-site generation system that proceeds to interconnect their system on or before December 20, 2020.

<sup>10</sup> The first page of the Hartzheim complaint letter dated September 20, 2022, the house "sustained an electrical fire on 5/17/2022 destroying the entire structure and our solar panel array." Idaho Power is not aware of the cause of the electrical fire that destroyed the Hartzheims' residence or if it was associated with the solar array. The Company-owned net meter at that location does not appear to have sustained damage and remains operational at the premise.

status would be lost if the inverter or panels were not online in six months.

13. The Hartzheim complaint letter states: “We are in the process of rebuilding our home at the same service address (356 W Hidden Meadow Way, Middleton, ID 83644) and fully intend to reinstall our solar array.”<sup>11</sup> Because the new home is not expected to be complete until approximately August 2023, the Hartzheims request that “the IPUC consider extension of the grandfathering period in our case by the amount of time our system will be offline.”<sup>12</sup>

## II. ANSWER

14. Idaho Power is keenly aware from its industry training and experience that electrical fires are incredibly fast and dangerous. First and foremost, Idaho Power and its employees extend our sincere sympathy to the Hartzheim family for the trauma and displacement caused by the house fire. The Hartzheims’ loss is significant, and no argument presented in the Company’s Answer is intended to minimize or dismiss it.

### **A. Idaho Power Lacks Authority to Extend the Grandfather Period to Encompass the Yet-To-Be-Installed Hartzheim Solar Array.**

15. Neither the Idaho Legislature nor the Commission has authorized the Company to exercise discretion that deviates from prior Commission’s orders and Commission-approved tariff.

#### *Idaho Statutes*

16. *Idaho Code* § 61-313 provides that no public utility shall collect or receive greater or less or different compensation for any service rendered to the public than the rates and charges applicable to such service as specified in its tariffs on file with the

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<sup>11</sup> Hartzheim complaint letter at 2 (Sept. 20, 2022).

<sup>12</sup> *Id.*



Commission and in effect at the time. Additionally, *Idaho Code* § 61-313 specifically provides that no refund or remit of any rates or charges may be made, and *no contract or agreement extended except as specified by tariff and as are regularly and uniformly extended to all corporations or persons.*

17. Similarly, *Idaho Code* § 61-315 codifies the concept of non-discriminatory service and prohibits a utility from giving preferential treatment to any customer or customer class over another. It reads:

61-315. DISCRIMINATION AND PREFERENCE PROHIBITED. No public utility shall, as to rates, charges, service, facilities or in any other respect, make or grant any preference or advantage to any corporation or person or subject any corporation or person to any prejudice or disadvantage. No public utility shall establish or maintain any unreasonable difference as to rates, charges, service, facilities or in any other respect, either as between localities or as between classes of service. The commission shall have the power to determine any question of fact arising under this section.

#### *Prior Commission Orders*

18. In Order No. 34509, the Commission established a hard line on the issue of legacy treatment, distinguishing between customers that had already made significant investments in on-site generations systems and those that had not. The Commission noted the Residential Solar Energy System Disclosure Act requires that a “clear warning to potential customers,”<sup>13</sup> which “combined with the statements made in this Order regarding the likelihood of future program changes, is enough to differentiate existing

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<sup>13</sup> See *Idaho Code* §48-1804(c)(ii) (requiring a written statement be provided to potential customs that states in capital letters: “LEGISLATIVE OR REGULATORY ACTION MAY AFFECT OR ELIMINATE YOUR ABILITY TO SELL OR GET CREDIT FOR ANY EXCESS POWER GENERATED BY THE SYSTEM AND MAY AFFECT THE PRICE OR VALUE OF THAT POWER.”).

customers with on-site generation from new customers with on-site generation because existing customers reasonably expected program stability whereas new customers will not.”<sup>14</sup>

19. On reconsideration, the Commission granted the request to grandfather the system as opposed to the customer and set forth criteria that must be met for a system to retain grandfather/legacy status, including the following: “If a system is offline for more than six months, or is moved to another site, the grandfathered status of the system is forfeited.”<sup>15</sup>

20. The decision to grandfather customers with existing on-site generation systems or that had made binding financial commitments to install on-site generation systems prior to the issuance of Order No. 34509, was based on these customers’ reliance on their beliefs regarding the stability of the net-metering program fundamentals, which until that date were reasonable. However, as the Commission stated in Order No. 34546, the Commission has “made it abundantly clear in Order No. 34509 that the program fundamentals are subject to change.”<sup>16</sup> In February 2020, the Commission denied requests of parties seeking reconsideration of the eligibility date for grandfathered status stating: “It would contravene our rationale to extend the date at which customers are eligible for grandfathered status, and we therefore decline to do so.”<sup>17</sup>

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<sup>14</sup> Case No. IPC-E-18-15, Order No. 34509 at 13.

<sup>15</sup> Case No. IPC-E-18-15, Order No. 34546 at 9.

<sup>16</sup> *Id.* at 10.

<sup>17</sup> *Id.*

21. Addressing the issue of legacy treatment for commercial, industrial, and irrigation (“CI&I”) customers taking net metering service under Schedule 84, Customer Energy Production/Net Metering Service (“Schedule 84”), the Commission reiterated that customers should consider the uncertainty of program design when deciding whether to invest in on-site generation.<sup>18</sup> After delineating the parameters for legacy treatment of Schedule 84 customer generators, based on the same criteria applied to Schedule 6 and Schedule 8 customers in Case No. IPC-E-18-15, the Commission set the standard for CI&I customer generators going forward consistent with residential and small general service customers: “Following our pronouncements in the orders in these cases, made after extensive briefing, public testimony, and deliberation, that the program fundamentals are 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.”<sup>19</sup>

22. Under the Commission’s prior orders, if the Hartzheims elect to invest in a replacement system, it could not be given legacy status absent present intervention by the Commission.

*The Company’s Tariff*

23. Currently, the Hartzheims take net metering service under Schedule 6, Residential Service On-Site Generation, which, in pertinent part, lists conditions that apply to all transactions under that schedule including the provision that is the subject of the Hartzheims’ complaint:

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<sup>18</sup> *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 10-11 (Dec. 1, 2020).

<sup>19</sup> *Id.*

The Customer shall notify the Company immediately if an Exporting System is permanently removed or disabled. Permanent removal or disablement for the purposes of this Schedule is any removal or disablement of an Exporting System lasting longer than six (6) months. Customers with permanently removed or disabled systems will be removed from service under this schedule and placed on the appropriate standard service schedule.

24. Schedule 6 does not provide any exceptions to this provision or room for interpretation; removal from Schedule 6 service should occur if the condition precedent (system removal/disablement for more than 6 months) is met without regard to any of the circumstances.

*The Filed Rate Doctrine*

25. Idaho Power is required to follow the Commission's prior orders as well as the utility tariffs on file with the Commission. It is a basic principle of utility regulation the Company cannot charge more, and also that it cannot charge less than its filed rate. This concept, known as the "filed rate doctrine," is embodied in *Idaho Code* §§ 61-313 and 61-315.

26. A customer's request to receive treatment that deviates from the tariff and/or Commission precedent, such as the Hartzheims' request to maintain legacy status for a system that is inactive for over six months, implicates the "filed rate doctrine" and authorizing such would defeat this non-discriminatory policy. This is true regardless of the utility's motive or intent in quoting or charging a rate that is greater or lesser than the filed rate, the policy of non-discriminatory rates is violated when similarly situated customers are allowed to pay different rates for the same services.<sup>20</sup>

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<sup>20</sup> *AT&T v. Central Office Telephone*, 524 U.S. 214, 118 S.Ct. 1956, 1963 (1998).

27. Absent this complaint, Idaho Power is required by law to move the Hartzheims' account to Schedule 1 as soon as November 20, 2022 (six months from the date of Idaho Power's confirmation that the customer generation system was offline and notification to the customer generator that systems offline for more than six months will lose legacy status). However, in keeping with the spirit of the Utility Customer Relations Rules compliant procedure,<sup>21</sup> Idaho Power will not take that action until it receives further direction from the Commission.

**B. Public Policy Considerations Complicate Extension of the Grandfather Period for the Hartzheims' Solar Array.**

28. While the Hartzheims' request for an extension of their grandfathering status is certainly understandable under the specific circumstances presented, it raises larger public policy issues that could have an impact broader than their household. These considerations include the provision of equivalent notice to all customers, the use of non-participants as a backstop to eliminate self-generation investment risk, and the administration/duration of any authorized exceptions.

*Same Notice Provided to All Customers*

29. The Commission's grandfather rationale that distinguished between existing and new customers was based on customers' reasonable expectations when making significant personal investments in on-site generation systems:

. . . the Commission finds it prudent and justifiable to distinguish between existing customers and new customers based on the customers' reasonable expectations when making significant personal investments in on-site generation systems. We find that before the service date of this Order, customers reasonably assumed the net-metering program fundamentals would not change. Representations made by both solar developers and the Company, whether explicit or

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<sup>21</sup> IDAPA 31.21.01.401 - .402.

implied, created a reasonable basis for reliance. **After the issuance of this Order, however, we believe it will no longer be reasonable for a customer to assume the net-metering program fundamentals will remain the same over the expected payback period of their investment.** We find this is a cognizable and reasonable difference between classes of customers, which justifies different treatment. . . .<sup>22</sup>

30. The Commission has strictly construed the availability of legacy treatment repeatedly affirming that it is “only appropriate in limited circumstances”:

[W]e have found that when the customer-generator has made a significant investment in an on-site system based on reasonable reliance of program stability, it is fair, just, and reasonable, non-discriminatory, and in the public interest to allow those customer-generators to recoup the value of their investments over the anticipated life of their investments.<sup>23</sup>

31. Even though it is to replace an array that the Hartzheims lost, they are making a new decision to invest the insurance proceeds in a new system. This decision will be made with full awareness and appreciation that the net metering program fundamentals are not guaranteed to remain the same over the expected payback period of that investment. In this regard, the Complainants are no different than those customers who made the decision to install on-site generation after the December 20, 2019, grandfather date, at which time the Commission stated: “We think a reasonable customer would consider the uncertainty of the program design when deciding to invest in on-site generation going forward.”<sup>24</sup>

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<sup>22</sup> Case No. IPC-E-18-15, Order No. 34509 at 10 (emphasis added).

<sup>23</sup> Case No. IPC-E-20-26, Order No. 34854 at 11.

<sup>24</sup> Case No. IPC-E-18-15, Order No. 34509 at 10.

32. Granting the Complainants' request would undermine the prior pronouncements of the Commission that "reliance on long-term program stability will no longer be reasonable given the ongoing evaluations of the programs."<sup>25</sup>

*Non-Participants to Backstop Investment Risk*

33. Investments inherently carry a certain amount of risk. The cost of building materials required to rebuild one's home is not grandfathered to a set price – nor is the building code to which a subsequent home is required to be built. However, the Complainants request the objective value of excess generation from a replacement array be compensated in a more advantageous manner even though they were presumably compensated with insurance proceeds for the value of their destroyed array. While it may be true that the electric fire occurred through no fault of the Complainants,<sup>26</sup> it is also true that the fire occurred at no fault of the general body of customers that could pay a premium<sup>27</sup> for the Complainants' excess generation if their grandfathered status is extended.

*Prejudice to Similarly Situated Customers*

34. Similarly, Idaho Power is concerned about the negative impact any extension of the Hartzheims' legacy status could have on customers with systems that lost legacy status due to circumstances that were similarly beyond their control. Since the Commission set the criteria for systems to retain grandfather/legacy status, a number

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<sup>25</sup> *Id.*

<sup>26</sup> Hartzheim complaint letter at 2 (Sept. 20, 2022).

<sup>27</sup> *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, Value of Distributed Energy Resources (VODER) Study* at 86-87 (October 2022).

of systems have failed to satisfy one or more of these requirements and lost legacy status as a result. Granting the Hartzheims' requested relief would arguably create a preference that runs afoul *Idaho Code* § 61-315. None of the other 5,147<sup>28</sup> existing on-site generation customers without legacy status taking Schedule 6 service had a similar guarantee or certainty available when making their investment decisions. Extensions of grandfather periods have not been made by Idaho Power or the Commission for customers experiencing supply chain or construction/repair-related delays exceeding six months at any point during the last decade. Nor was an exception applied to a Caldwell customer whose home and solar array were destroyed by fire in January 2021. Because the Company does not comprehensively track information regarding systems that have lost their grandfathering in the past, it would have no way to administer an exception process retroactively for these customers further undermining the concept of non-discriminatory service.

35. Subsequent to the Commission issuing Order Nos. 34509 and 34546, Idaho Power has consistently communicated with customers regarding the potential for changes to the net metering service offering. These customer notices are posted on the Company's website, are outlined on the Customer Generation Application (Attachment 1) where customers are required to affirmatively acknowledge:

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<sup>28</sup> As of October 20, 2022.



*I understand that the net metering program design is subject to change including, but not limited to, the interval length over which netting occurs, compensation for excess generation and the interconnection requirements for on-site generation systems.*

**and**

*I UNDERSTAND THAT LEGISLATIVE OR REGULATORY ACTION MAY AFFECT OR ELIMINATE MY ABILITY TO SELL OR GET CREDIT FOR ANY EXCESS POWER GENERATED BY THE SYSTEM AND MAY AFFECT THE PRICE OR VALUE OF THAT POWER.*

and are highlighted again in an email sent to customers who submit a completed application (Attachments 4 and 5).<sup>29</sup> The Company developed these materials consistent with the Commission's directive: "We encourage the Company to continue conveying to potential on-site generation customers that rates and program structure are subject to change, either of which can profoundly affect the projected repayment period of the customer's investment."<sup>30</sup> While Company personnel can attest to conversations with customers who have suggested they chose not to proceed with an installation of on-site generation after reviewing these disclaimers, it is unclear how many other customers have made that choice or what other circumstances surrounded each customer's decision.

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<sup>29</sup> Idaho Power has routinely advised customer generation applicants that the Company's tariffs can change since at least July 2016. Following the conclusion of Case No. IPC-E-18-15, Idaho Power has provided notice to all customers who submit a Customer Generation Application advising them of the potential for the Company's on-site generation tariffs to change upon Commission order (Attachment 4). After June 30, 2022, Idaho Power sent an "Update on Value of Distributed Energy Resources (VODER) Study" version of this notice to customer generation applicants (Attachment 5).

<sup>30</sup> Case No. IPC-E-18-15, Order No. 34509 at 13.

## Administration

36. Unexpected things happen that customers, regulators and utilities do not anticipate. If relief is granted in this instance, the Company respectfully requests the Commission establish objective criteria to minimize claims of preference/discrimination under *Idaho Code* § 61-315 during the remainder of the grandfather period(s).<sup>31</sup> Because a decision to authorize hardship exceptions would require significant subjectivity which may carry an unknown future administrative burden, Idaho Power believes an exception process should be administered by Staff and not the Company.

### **III. COMMUNICATIONS AND SERVICE OF PLEADINGS**

37. Service of pleadings and communications with reference to this case should be sent to the following:

Lisa D. Nordstrom  
Megan Goicoechea Allen  
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1221 West Idaho Street (83702)  
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Connie Aschenbrenner  
Grant Anderson  
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[ganderson@idahopower.com](mailto:ganderson@idahopower.com)

### **IV. CONCLUSION**

Idaho Power does not believe that the key facts are in dispute – just the application of the Schedule 6 tariff conditions and the Commission’s grandfathering criteria to the Hartzheims in this unfortunate circumstance. Idaho Power is reluctant to suggest that an exception be made for the several reasons discussed above that are broader than the circumstances presented in this complaint. Although it has tremendous sympathy for loss

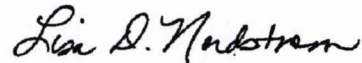
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<sup>31</sup> As observed with the Master-Metering Rules for Electric Utilities (IDAPA 31.26.01) rules that set a July 1, 1980 grandfather date, such criteria are challenging to administer over multiple decades.

of the Hartzheim family home, Idaho Power does not believe it can unilaterally take action under existing Idaho law that is different than that currently permitted by Commission's orders and the Company's Commission-approved tariff.

Idaho Power respectfully requests the Commission issue its Order denying the Complainants' requested extension of the grandfathering period or, alternatively, to establish objective exception criteria to be administered by Staff in the event the Commission deems a hardship exception appropriate.

DATED at Boise, Idaho, this 2<sup>nd</sup> day of November 2022.



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LISA D. NORDSTROM  
Attorney for Idaho Power Company

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on the 2<sup>nd</sup> day of November 2022, I served a true and correct copy of Idaho Power Company's Answer upon the following named parties by the method indicated below, and addressed to the following:

**Commission Staff**

Riley Newton  
Deputy Attorney General  
Idaho Public Utilities Commission  
11331 W. Chinden Blvd., Bldg No. 8,  
Suite 201-A (83714)  
PO Box 83720  
Boise, ID 83720-0074

Hand Delivered  
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 Email: [Riley.Newton@puc.idaho.gov](mailto:Riley.Newton@puc.idaho.gov)

**Sara E Statz Hartzheim**  
**Matthew Hartzheim**  
356 W. Hidden Meadow Way  
Middleton, ID 83644

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*Stacy Gust*

\_\_\_\_\_  
Stacy Gust, Regulatory Administrative  
Assistant

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION  
CASE NO. IPC-E-22-25**

**IDAHO POWER COMPANY**

**ATTACHMENT 1**

**HARTZHEIM CUSTOMER GENERATION  
APPLICATION**

RECEIVED

9/18/18



# Customer Generation Application

Maximum Size: 25 kW Residential, Small General/100 kW Large Commercial, Industrial, Irrigation

This application is an interconnection request for existing accounts who wish to install renewable generation systems (solar, wind, hydro, biomass and fuel cell technologies) with the States of Idaho or Oregon. All generation systems must satisfy the requirements in Schedule 72, Interconnections to Non-Utility Generation. Upon completion of the interconnection process, customers will take service under one of the following schedules:

- Idaho Residential customers - Schedule 6, Residential Service On-Site Generation
- Idaho Small General Service customers - Schedule 8, Small General Service On-Site Generation
- All Oregon customers, and Idaho Large Commercial, Irrigation and Industrial customers - Schedule 84, Customer Energy Production/Net Metering Service

Upon receipt of the application and fee, Idaho Power will review the project and determine if any upgrades to the electrical grid are needed. If no upgrades are needed, customer will receive an approval to proceed. Application and fee expire one year after approval to proceed. Visit <http://www.idahopower.com/CustomerGeneration> for detailed information about the interconnection process, tariff schedules, production credits and credit transfer eligibility.

## 1. Project Information *\*Required Fields*

Account Holder*	Sara E. Statz		Account Number*	[REDACTED]
Project Location:	356 W Hidden Meadow Way, Middleton ID 83644		Meter Number*	[REDACTED]
	Address	City, State Zip		
Existing project at location? *	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If yes, total nameplate rating of existing project (kW): *	
<b>Proposed Project*</b>				
Size (kW <sub>DC</sub> ):	11.88	In-Service Date (mm/dd/yyyy)*:	October 2018 Proposed system is: <input checked="" type="checkbox"/> Single Phase <input type="checkbox"/> Three Phase	
<b>Project Type *</b>				
<input checked="" type="checkbox"/> Solar	Number of modules 36		<input type="checkbox"/> Wind	Number of turbines _____
	If fixed, approximate tilt from horizon (0-90°) 23°			Turbine Manufacturer _____
Orientation: <input type="checkbox"/> N <input type="checkbox"/> NE <input type="checkbox"/> NW <input type="checkbox"/> S <input type="checkbox"/> SE <input type="checkbox"/> SW <input checked="" type="checkbox"/> E <input type="checkbox"/> W			<input type="checkbox"/> Other (describe) _____	
Tracker? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Battery backup? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>Inverter*</b>				
How many? 2	Watt size (each): 7600	Manufacturer: SolarEdge	Model #: SE7600H	
Is inverter UL 1741 or IEEE 1547 listed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, what protection type? _____				

## 2. \$100 non-refundable application fee enclosed

## 3. Project Contact (installer)

Company*	Intermountain Wind and Solar		Contact*	Mauricia Mortensen
Email*	netmetering@imwindandsolar.com		Phone (xxx) xxx-xxxx	(801) 298-5255
Mailing Address	1953 W. 2425 S.	City	Woods Cross	State UT Zip 84087

## 4. Account Holder

<input checked="" type="checkbox"/> I certify that the information provided in this application is correct to the best of my knowledge.			
<input checked="" type="checkbox"/> I understand that the on-site generation and net metering service – including the rate structure and interconnection requirements – are subject to change and that current rates do not represent future pricing.			
<input checked="" type="checkbox"/> I give my permission for Idaho Power to discuss my project and electric usage history with the Project Contact listed above.			
Name (Type or Print) *	Sara E. Statz	Signature*	
Phone* (xxx) xxx-xxxx	[REDACTED]	Email*	statzs24@gmail.com
		Date*	8/14/20

Once completed, please mail this form and the non-refundable \$100 application fee to:

U.S. Postal delivery:  
 Idaho Power Company  
 Attn: Customer Generation, CHQ8  
 P.O. Box 70

Express delivery:  
 Idaho Power Company  
 Attn: Customer Generation, CHQ8  
 1221 West Idaho Street

If you have any questions, please call  
 208-388-2559 or email [CG@idahopower.com](mailto:CG@idahopower.com)

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION**

**CASE NO. IPC-E-22-25**

**IDAHO POWER COMPANY**

**ATTACHMENT 2**

**HARTZHEIM ELECTRICAL SYSTEM  
VERIFICATION FORM**

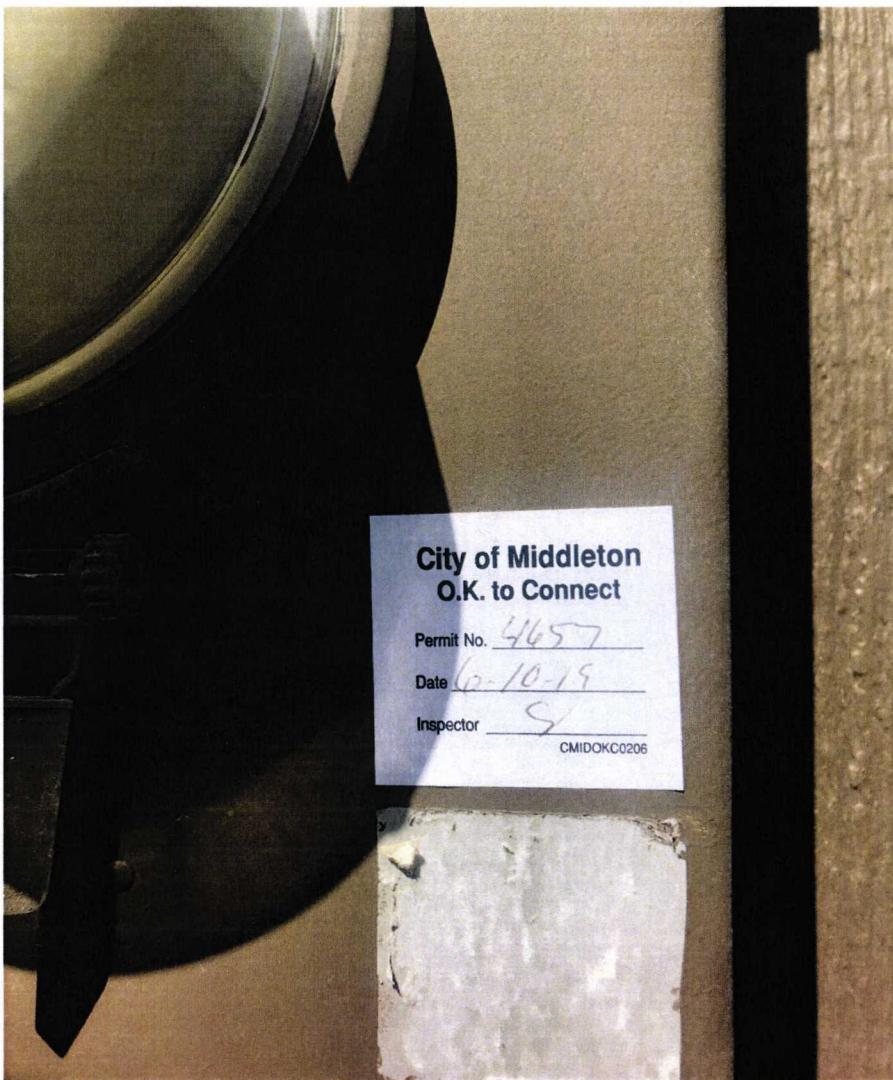
**From:** Sara Statz <statzs24@gmail.com>  
**Sent:** Thursday, June 13, 2019 11:05 AM  
**To:** VM\_CG <CG@idahopower.com>  
**Cc:** NetMetering <netmetering@imwindandsolar.com>  
**Subject:** [EXTERNAL]Re: NM ID#3281

**KEEP IDAHO POWER SECURE!** External emails may request information or contain malicious links or attachments. Verify the sender before proceeding, and check for additional warning messages below.

---

Hello,

Our home passed its electrical inspection on Monday 6/10/19. Attached is the sticker showing the inspection from Shane, Inspector with the City of Middleton.



Please let me know if you need anything else.



- Sara E. Statz  
Sent from my iPhone

On Jun 13, 2019, at 10:02 AM, LOC. CG <[CG@idahopower.com](mailto:CG@idahopower.com)> wrote:

Hello,

We received a message that the solar project located at 356 W Hidden Meadow Way in Middleton ID is complete and needing to have a net meter installed. In order for us to process this, we will need to have a system verification form filled out showing that this project has passed the state electrical inspection. Once we have that and entered in our system, we can order the meter exchange.

Thank you

[Shawn Lovewell](#)

**Customer Generation Team**

Idaho Power Company

208-388-2559

[cg@idahopower.com](mailto:cg@idahopower.com)

**IDAHO POWER LEGAL DISCLAIMER**

This transmission may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is STRICTLY PROHIBITED. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Thank you.

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION  
CASE NO. IPC-E-22-25**

**IDAHO POWER COMPANY**

**ATTACHMENT 3  
HARTZHEIM SYSTEM VERIFICATION FORM**

# Customer Generation System Verification Form



### Instructions:

This System Verification Form is required after the proposed onsite renewable generation system is installed and after successful completion of a state or city electrical inspection. Idaho Power prefers that this form be completed by a licensed electrician, solar company/installer, NABCEP certified individual or an engineer or other qualified persons as accepted by Idaho Power. In lieu of professional certification, documentation must be provided including cut sheets and/or invoices for installed components. If invoices are provided, financial information (e.g., purchase price) is not required and can be excluded if desired. For additional information, visit <http://www.idahopower.com/CustomerGeneration>.

## 1. Project Information *\*Required Fields*

Account Holder*	<u>Sara E. Statz</u>	Account Number*	<u>[REDACTED]</u>
<small>Must be the customer/account holder on the Idaho Power account</small>			
Project Location: *	<u>356 W. Hidden Meadow Way, Middleton ID 83644</u>	Meter Number*	<u>[REDACTED]</u>
<small>Address</small>		<small>City, State, Zip</small>	
Electrical Permit Number*	<u>EL4657</u>	Final Electrical Inspection Completion Date*	<u>6/12/2019</u>

## 2. Final Installation Information\*

Total System Size/Name Plate Rating (kW)*:	<u>11.88</u>	(For solar, total size should match the watts x modules below.)
Project Type *		
<input checked="" type="checkbox"/> Solar	<input type="checkbox"/> Wind	Number of turbines _____ Turbine capacity (watts) _____
Number of Modules <u>36</u> Watts per Module <u>330</u>	<input type="checkbox"/> Hydro	Number of Generators _____ Capacity (watts) _____
If fixed, approximate tilt from horizon (0-90°) <u>23</u>	<input type="checkbox"/> Other	(describe on back of form)
Orientation: <input type="checkbox"/> N <input type="checkbox"/> NE <input type="checkbox"/> S <input type="checkbox"/> SE <input type="checkbox"/> SW <input checked="" type="checkbox"/> E <input type="checkbox"/> W <input type="checkbox"/> NW		
Tracker? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Battery backup? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Inverter Details* (If more than one inverter model, list on back of form)		
Manufacturer: <u>SolarEdge</u>	Model #: <u>SE7600H</u>	
Total number of inverters: <u>2</u>	Inverter watt size (each): <u>7600</u>	
Is inverter UL 1741 or IEEE 1547 listed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If no, what protection type? _____	

## 3. Professional Certification

I, the undersigned, certify the above information is correct and the system meets the requirements of Idaho Schedule 72 Interconnections to Non-Utility Generation. I also certify that:			
<input checked="" type="checkbox"/> System meets all required codes and has passed the city/state electrical inspection.			
<input checked="" type="checkbox"/> System is operational, breaker and inverter are on. If applicable, the inverter is programmed.			
<input checked="" type="checkbox"/> The A/C disconnect is in the open or off position.			
<input checked="" type="checkbox"/> Required placards are in place. If disconnect is more than 10 feet or not visible from the meter, permanent directions to the disconnect have been placed next to the meter.			
Name (Type or Print) *	<u>Mauricia Mortensen</u>	Signature*	<u>[Signature]</u>
Phone*(xxx) xxx-xxxx	<u>801-298-5255</u>	Email*	<u>netmetering@imwindandsolar.com</u>
Date*	<u>6/13/2019</u>		
I am: (check all that apply)			
<input checked="" type="checkbox"/> Electrician	<input checked="" type="checkbox"/> Solar Company/Installer	<input type="checkbox"/> Other: _____	
<input checked="" type="checkbox"/> NABCEP certified	<input type="checkbox"/> Engineer	<input type="checkbox"/> If Other, documentation is included per instructions.	

Once completed, please email or mail this form to: [CG@idahopower.com](mailto:CG@idahopower.com)

U.S. Postal delivery: Idaho Power Company  
Attn: Customer Generation, CHQ-8  
P.O. Box 70  
Boise, ID 83707

Express delivery: Idaho Power Company  
Attn: Customer Generation, CHQ-8  
1221 West Idaho Street  
Boise, ID 83702

If you have any questions, please call 208-388-2559 or email [CG@idahopower.com](mailto:CG@idahopower.com)

**Complete for multiple inverter models**

<b>Inverter Details</b>		
Manufacturer: _____	Model #: _____	
Total number of inverters: _____	Inverter watt size (each): _____	
Is inverter UL 1741 or IEEE 1547 listed? <input type="checkbox"/> Yes <input type="checkbox"/> No	If no, what protection type? _____	
<hr/>		
Manufacturer: _____	Model #: _____	
Total number of inverters: _____	Inverter watt size (each): _____	
Is inverter UL 1741 or IEEE 1547 listed? <input type="checkbox"/> Yes <input type="checkbox"/> No	If no, what protection type? _____	
<hr/>		
Manufacturer: _____	Model #: _____	
Total number of inverters: _____	Inverter watt size (each): _____	
Is inverter UL 1741 or IEEE 1547 listed? <input type="checkbox"/> Yes <input type="checkbox"/> No	If no, what protection type? _____	

**Complete for project types marked "Other"**

Describe Project Type:
------------------------

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION  
CASE NO. IPC-E-22-25**

**IDAHO POWER COMPANY**

**ATTACHMENT 4**

**PRE-STUDY NOTICE OF FUTURE TARIFF  
CHANGES TO APPLICANT**



Hello,

On XX/XX/XXXX, we received your application to interconnect on-site generation to Idaho Power's electrical system. We are processing your application. You will receive a second communication shortly with the results of our review of your application and next steps.

In the meantime, we are providing this email to inform you the company's on-site generation tariffs (Schedules 6, 8, 68, 84 and successor tariffs), as with all other tariffs, are not contracts and are subject to change upon order of the state public utilities commission. Changes to the on-site generation tariff in the future may include, but are not limited to, modifications to rates, billing components, billing structure, and for Exporting Systems the compensation structures, and the value for excess energy produced by the customer's on-site generation system (and thus the amount a customer would be compensated). Legislative or regulatory actions can affect or eliminate one's ability to sell or get credit for any excess power generated by the system and may affect the price or value of that power.

More information about customer generation, including compensation structure, technical requirements, and the application process can be found at [idahopower.com/customergeneration](http://idahopower.com/customergeneration).

If you have questions, about the on-site generation tariff and requirements, please contact the customer generation team at 800-632-6605.

We appreciate the opportunity to serve you.

Sincerely,  
Your Idaho Power Customer Generation Team  
[cg@idahopower.com](mailto:cg@idahopower.com)

Idaho Power  
Attn: Customer Generation  
P.O. Box 70, Boise, ID 83707

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION**

**CASE NO. IPC-E-22-25**

**IDAHO POWER COMPANY**

**ATTACHMENT 5**

**VODER STUDY NOTICE OF FUTURE TARIFF  
CHANGES TO APPLICANT**



Hello,

On XX/XX/XXXX, we received your application to interconnect on-site generation to Idaho Power's electrical system. We are processing your application. You will receive a second communication shortly with the results of our review of your application and next steps.

In the meantime, we are providing this email because you may be impacted by future changes to Idaho Power's service offering for on-site customer generation. At the direction of the Idaho Public Utilities Commission (IPUC), Idaho Power has filed a study analyzing the benefits and costs of on-site customer generation within Idaho Power's service area. The study provides information that the IPUC, Idaho Power and other stakeholders will use to determine whether changes should be made to Idaho Power's existing customer generation offering for all customer classes. To view the study and supporting data, visit [idahopower.com/study](http://idahopower.com/study). To provide feedback to the IPUC regarding the study, visit [puc.idaho.gov](http://puc.idaho.gov) and reference Case No. IPC-E-22-22.

Idaho Power's on-site generation tariffs (Schedules 6, 8, 68, and 84), as with all other tariffs, are not contracts and are subject to change at any time upon order of the IPUC. Changes to the on-site generation tariffs in the future may include, but are not limited to, modifications to rates, billing components, billing structure, compensation structure, and the value for excess energy produced by the customer's on-site generation system (and thus, the amount a customer would be compensated). This is consistent with the Idaho Residential Energy System Disclosure Act, which requires solar retailers to provide a disclosure reminding potential customers that legislative or regulatory actions can affect or eliminate one's ability to sell or get credit for any excess power generated by the system and may affect the price or value of that power.

Information about customer generation, including compensation structure, technical requirements, and the application process can be found at [idahopower.com/customergeneration](http://idahopower.com/customergeneration).

If you have questions, about the on-site generation tariff and requirements, please contact the customer generation team at 800-632-6605.

We appreciate the opportunity to serve you.

Sincerely,  
Your Idaho Power Customer Generation Team  
[cg@idahopower.com](mailto:cg@idahopower.com)