Office of the Secretary
Service Date
February 20, 2025

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF YOUNG FAMILY FARMS' FORMAL COMPLAINT AGAINST IDAHO POWER COMPANY	)))))	**CASE NO. IPC-E-24-33** **ORDER NO. 36465**

On August 6, 2024, Young Family Farms ("Young") filed a formal complaint ("Complaint") with the Idaho Public Utilities Commission ("Commission") against Idaho Power Company ("Company"). On September 3, 2024, the Commission issued a summons to the Company, and on September 24, 2024, the Company filed an Answer to the Complaint.

COMPLAINT

Young alleged that the Company was violating its Schedule 84 tariff by refusing to approve a 220kW customer generation project, which Young argued was consistent with the plain language of Section 6.iv of the Company's tariff. Young requested that the Commission order the Company to approve Young's 220kW customer generation application.

Young represented that:

> In the spring of 2024, the company we hired to deliver and install the solar components (AgriPower Solar) contacted Idaho Power to coordinate details and submit applications for the power company's approval. On March 8, 2024, at 2:30 p.m., Aaron Pace (with AgriPower Solar) contacted IPCO's Customer Generation team with a question about whether a project's maximum size was strictly limited to max billing demand over the last 12 months, or whether there was any wiggle room for projects that were marginally larger. At 3:18 p.m., Customer Generation responded by pointing to Sections 6. iii and 6. iv of the approved tariff.

Complaint at 1. Based on communications with the Company, Young indicated that it submitted four applications pursuant to Section 6.iv of the approved Schedule 84 tariff. *Id.* at 2. Two of the applications used the pump HP factor to determine max system size. *Id.*

Young represented that on April 17, 2024, the Company's Customer Generation team sent an email to Young and AgriPower Solar, stating: "We have evaluated these projects (the two highlighted below) and the sizing is allowed." *Id.* However, Young stated that on May 24, 2024, the Company notified Young and AgriPower Solar that the previous project approval was being rescinded, and arguing that Section 6. iv applied only to customers without billing history for the previous 12 months. *Id.* at 2-3.

Young represented that following the involvement of a Commission investigator assigned to the case, the Company changed its position on one of the applications, for which a formal approval letter had already been sent by the Company, but the Company maintained its position that the pump HP factor cannot be used for the 220kW project. *Id.* at 3.

COMPANY ANSWER

The Company argued that the Complaint was procedurally insufficient. Company Answer at 16. Specifically, the Company argued that the Complainant did not make numbered allegations but instead made general allegations in a narrative format and failed to refer to specific provisions of statute, rule, order, notice, tariff, or other controlling law that the Company allegedly violated. *Id.*

The Company also argued that it acted in conformity with regulatory history and precedent, with the filed rate doctrine, and that it undertook reasonable efforts to ease the impact on the complainant while mitigating the potential for claims of preferential treatment. *Id.* at 17. With respect to the Young applications, the Company represented:

> Application ID 21036 was a one-time exception based on the specific circumstances associated with that application, namely that it had been officially approved by the Company, but that all other applications for which billing demand is available, including Application ID 21027, would utilize billing demand, not HP, to determine the maximum system size consistent with Order No. 36048.
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> The Company acknowledges that prior to IPC-TAE-24-02, the tariff language addressing how a Schedule 84 customer's demand is determined for purposes of conforming to the project eligibility cap left room for multiple interpretations. While the Complainant's perspective was not unreasonable, the outcome being sought was not consistent with the regulatory history, nor did the Company believe it reflected the intent of Commission Order No. 36048, and the Company was sensitive to the potential broader impact considering other recent customer generator applications and the need for consistent treatment and application amongst similarly situated customers.

Answer at 14.

Ultimately the Company contended that it acted reasonably, in good faith, and in compliance with Commission precedent. *Id.* at 22. The Company represented that there could be extenuating circumstances under which it may be appropriate to grant an exception to the Company's authorized method for determining the project eligibility cap; however, the Company believed that such a decision would require significant subjectivity that was not appropriately exercised by the Company. *Id.* As such, the Company deferred to the Commission to determine whether the facts presented in this case justified granting the relief sought by Young. *Id.*

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, 61-502, and 61-503. The Commission is vested with the power to "supervise and regulate every public utility in the state and to do all things necessary to carry out the spirit and intent of the [Public Utilities Law]." *Idaho Code* § 61-501. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and 61-503. Having reviewed the Complaint and all submitted materials, the Commission finds it fair, just, and reasonable to grant the relief requested in the Complaint.

The Commission finds that the Complaint does refer to specific provisions of statute, rule, order, notice, tariff, or other controlling law that the Company allegedly violated. Young alleged that the Company "violat[ed] the Schedule 84 tariff by refusing to approve our farm's customer generation project consistent with the plain language of Section 6.iv." Complaint at 1.

At the time of Young's applications, Schedule 84 Section 6.iv provided:

> 6. For a Customer applying to interconnect a Generation Facility (1) with a total nameplate capacity rating that exceeds actual billing demand data from the most recent 12 months, or (2) Billing Demand is not available, must provide evidence that the proposed Generation Facility meets the applicability of this schedule in accordance with the following:
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> iv. For a Customer taking retail service under Schedule 24 which only services motor load, the Customer may submit documentation of the horsepower ("HP") of the motor/pump to the Company and a conversion factor of 1 HP to 0.8kW will be used to define the demand for the Point of Delivery.

The Company noted in its Answer that the plain language of the tariff addressing how Schedule 84 customer's demand is determined for purposes of conforming to the project eligibility cap may be subject to multiple interpretations. The Commission agrees. Having reviewed the plain language of the tariff, the Commission finds that Young's 220kW[1] customer generation application

[1] The Complaint and Answer present only limited information concerning the claimed error between Young's original application for a 200kW system and a 220kW system. However, given the nature of the Commission's decision and findings of the plain language of Schedule 84 at the time of the original application, both a 200kW and 220kW system would have conformed with the tariff.

for pump 0403 did conform with Schedule 84 at the time of the application, and that a denial of the application based upon that provision would be in error.

The Commission appreciates the Company's efforts to ensure that its tariffs are applied evenly and accurately, and the efforts the Company made to maintain adherence to its interpretation of the tariff given the specific facts and the initial communications with Young. The Commission also acknowledges the Company's concerns; however, given the specific circumstances of this case and the undisputed and unique facts concerning Young's applications, the Commission does not believe further issues regarding similar claims will arise. Notably, the language of the tariff has since been changed. On June 17, 2024, the Company submitted a tariff advice to alter Schedule 84, IPC-TAE-24-02, and the revision to Schedule 84 was approved by the Commission, effective August 8, 2024.

While the Commission finds that a 220kW system conforms with the Company's tariff at the time of Young's application to the Company, the Commission makes no findings nor conclusions concerning any other aspect of Young's applications, including any additional costs that may be incurred based on the size of the systems at issue.

ORDER

IT IS HEREBY ORDERED that the denial of Young's application for a 220kw system based on the language of Schedule 84 Section 6.iv at the time of the application was in error.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* §§ 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 20th day of February 2025.

EDWARD LODGE, PRESIDENT

JOHN R. HAMMOND JR., COMMISSIONER

DAYN HARDIE, COMMISSIONER

ATTEST:

Monica Barrios-Sanchez
Commission Secretary

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