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Paul Kjellander, Commissioner Kristine Raper, Commissioner Eric Anderson, Commissioner

Case No. IPC-E-17-13 Order No. 34147

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## Regulators modify order in net metering case

**BOISE (Sept. 21, 2018)** – In its final reconsideration <u>order</u> issued Friday, the Idaho Public Utilities Commission maintained its decision to separate customers with on-site generation into new customer classifications, while directing Idaho Power and stakeholders to explore options for customers who generate but do not export energy.

The modification came in response to a reconsideration petition filed with the Commission by Vote Solar, one of 10 intervening parties to <u>the case</u>. A petition for reconsideration allows any party to contest a Commission order.

Vote Solar's petition asked the Commission to reconsider <u>its order</u> issued in May that called for creating new classifications for customers with on-site generation.

In the order issued in May, the Commission said "bi-directionality," or the ability to import and export energy, is a defining characteristic of customers with on-site generation.

"Because of this bi-directionality, we conclude that ... customers with on-site generation present unique load and usage characteristics that lend toward class distinction," the Commission said.

Vote Solar urged the Commission to reconsider its order, to apply only to customers who export energy.

Vote Solar was the only party to petition for reconsideration of the order.

Idaho Power, in response to the petition, contended that there were "significant flaws" with using the ability to export as a criterion to exclude on-site generators from the new customer classes.

Instead, the utility said, the unique load service and pattern of use should determine inclusion in the new classifications.

The Commission found Idaho Power's argument unpersuasive. A broad range of load and service characteristics exists even among customers who do not generate their own energy, the Commission said.

"Customers are different and use various means to change how they take service from the Company," the Commission said.

The Commission's reconsideration decision reiterates the parameters of the order issued in May.

In addition to creating new customer classifications for on-site generators, that order directed Idaho Power to undertake a comprehensive study of the costs and benefits of on-site generation on the utility's system, encouraging collaboration with Commission staff and other stakeholders in conducting the study and determining proper rates, rate design and compensation for generation exported to the grid.

The order on reconsideration said the comprehensive study should also explore the feasibility of a non-export option for customers with on-site generation.

"For now, all on-site generators should remain in the (newly created customer classes) because there is insufficient evidence in the record for the Commission to make a well-informed determination as to on-site generating customers who may choose to eliminate energy export and the implications of such a choice," the Commission said. "Further, no harm is caused by, at least temporarily, leaving potential non-exporters in (the new classes) because no changes have yet been implemented to the underlying rate and compensation structure."

All documents related to this case are available <a href="here">here</a>. Or go to the Commission's web site, <a href="here">www.puc.idaho.gov</a>, click on "Open Cases" under the "Electric" heading and scroll down to case number IPC-E-17-13.