

## ELECTRIC



### Avista Utilities

#### 2019 Average Number of Customers/Avg. Revenue/kwh\*

345,064 Residential Customers/\$0.09801

42,930 Commercial Customers/\$0.10018

1,305 Industrial Customers/\$0.05594



### Idaho Power Company

#### 2019 Average Number of Customers/Avg. Revenue/kwh\*

477,404 Residential Customers/\$0.1020

72,855 Commercial Customers/\$0.0735

131 Industrial Customers/\$0.0545



### Rocky Mountain Power

#### 2019 Average Number of Customers/Avg. Revenue/kwh\*

PacifiCorp/Rocky Mountain Power

67,163 Residential Customers/\$0.1046

9,901 Commercial Customers/\$0.0830

6,455 Industrial Customers/\$0.0666

\*The information above shows each regulated electric utility's average number of customers per customer class and the average revenue per kilowatt-hour (kWh) for 2019.

## Avista

### Virtual public workshop on Avista's 2020 electric Integrated Resource Plan will be held July 9

Staff for the Idaho Public Utilities Commission will host a virtual public workshop on July 9 regarding Avista's electric Integrated Resource Plan ("IRP").

The workshop is intended to provide the public the opportunity to hear an overview from Commission Staff of the Company's 20 year plan, staff's analysis of Avista's 2020 electric IRP and to allow Commission Staff to hear concerns and address questions from the public.

The public workshop is from 4:00 p.m. to 6:00 p.m. (MDT) on Thursday, July 9. Those interested in participating can do so by calling 1-415-655-0001, and entering access code 133 529 9901. Customers can also participate online by visiting [idahogov.webex.com](http://idahogov.webex.com), and entering the number 133 529 9901. At the next window, please enter your name, e-mail address and the password: July9Meeting.

The IRP is a biennial status report on the utility's ongoing and evolving plans to adequately and reliably serve its customers at the lowest system cost and least risk over the next 20 years. Avista develops its plan through a public process involving customers, Commission Staff, the Northwest Power and Conservation Council, consumer advocates, academics, environmental groups, utility peers, government agencies and other interested parties. Avista submits its IRP to the Idaho Public Utilities Commission for acknowledgment. Commission acknowledgment of the IRP does not mean the Commission approves of any specific conclusions or results, but rather acknowledges the company adequately addressed the matters required by the Commission's prior orders.

For additional information on Avista's IRP, please visit [www.puc.idaho.gov](http://www.puc.idaho.gov), click on "Electric," then "Open Cases" and select case number AVU-E-19-01. Those interested in the IRP can also visit <https://www.myavista.com/about-us/integrated-resource-planning>.

### Idaho Public Utilities Commission approves settlement with Avista Utilities that will result in rate decrease

The Idaho Public Utilities Commission has approved a proposed settlement with Avista Utilities that decreases annual base electric revenues by \$7.18 million, or 2.84 percent.

The settlement takes effect Dec. 1, 2019. A residential electric customer who uses an average of 900 kilowatt-hours per month will see a decrease in their bill of \$0.86, or a 1 percent decrease for a revised monthly bill of \$84.45.

Avista's original proposal called for an increase in electric base revenues of \$5.25 million, or 2.1 percent. The Spokane-based company said its original request was prompted by an increase in net plant investment (including return on investment, depreciation and taxes, and offset by the tax benefit of interest) from that currently authorized. In addition, net power supply expense is reduced from the currently authorized level, offsetting the company's overall increase as originally requested.

Idaho state law allows regulated utilities to recover prudently incurred expenses and earn a reasonable rate of return. The rate of return is established by the Idaho Public Utilities Commission. A utility has the burden of proof to demonstrate that additional capital investment was necessary to serve customers and, if so, that the expenses were prudently incurred.

Based on the settlement, there will be several reductions to the company's original proposal. For Avista's electric operations, those changes include a \$2.2 million decrease to the company's proposed 2019 revenue requirement tied to a reduction in return on common equity, a reduction of nearly \$774,000 through the elimination of officer incentive pay and salary increases and a reduction in nonofficer incentives and salary increases. There also is a reduction of approximately \$6.4 million due to reduced power supply costs.

The revenue decreases are based on a 9.5-percent return on equity, down from a 9.9-percent return on equity in Avista's original proposal. The settlement agreement was reached between parties to the case after a settlement conference in September. Those parties included commission staff, Clearwater Paper Corporation, Idaho Conservation League, Idaho Forest Group, the Community Action Partnership Association of Idaho, and Walmart, Inc.

## Idaho Power

### Commission declines proposed Idaho Power net metering settlement agreement, grandfathers existing customers into current program

State regulators at the Idaho Public Utilities Commission have rejected a proposed settlement agreement that would change how Idaho Power customers who installed solar panels or other on-site generation systems are compensated.

The proposed settlement agreement involves net metering, where Idaho Power customers pay an independent contractor to have solar panels or other systems installed on their homes or property and then receive credit from Idaho Power for the surplus energy they deliver to the company.

Under the proposed agreement, energy production and consumption would have been netted hourly. Under Idaho Power's current program, production and consumption are netted on a monthly basis. The settlement agreement also would have paid existing on-site generation customers an export credit rate for net energy exported to Idaho Power's grid. Under the company's current program, net excess energy is compensated at a 1:1 kilowatt hour credit, meaning the value of the net energy exports is equal to the value of the energy consumed. The settlement agreement also transitioned new and existing customers who have on-site generation to a new pricing structure over an eight-year period. In addition, Idaho Power would provide a non-export option for customers who want to interconnect to Idaho Power's grid without exporting excess energy back to the company.

The proposed agreement covered Schedule 6 and Schedule 8 Idaho Power customers. Schedule 6 customers are residential customers. Schedule 8 customers are small, general service customers. The

agreement was reached after a year of negotiations involving Idaho Power, staff with the commission, the Idaho Clean Energy Association, Idaho Conservation League, Vote Solar, the Idaho Irrigation Pumpers Association, Inc., Idahohydro, the City of Boise, Idaho Sierra Club, Industrial Customers of Idaho Power, and Russell Schiermeier.

In the commission's order that rejected the settlement agreement, the commission found that the record created from the settlement proceedings was insufficient to support the settlement. The commission also found the public was not adequately notified or aware that the agreement might result in significant changes to Idaho Power's net metering program.

The commission also addressed the issue of grandfathering for existing Idaho Power net-metering customers. Numerous comments that were submitted expressed concern that proposed changes to Idaho Power's net metering program would make it difficult for homeowners who invested in solar panels to recoup the cost of their investments. The commission found it reasonable and just to grandfather existing customers under rules in place as of the service date of the commission's order.

In its order, the commission directed Idaho Power to conduct a study of the costs and benefits of distributed on-site generation to its system. The order requires the study to use the most current data possible and that the data be readily available to the public. The order also requires the study to be designed in coordination with the parties that participated in settlement talks as well as all stakeholders. Other requirements are that the study is written so it is understandable to an average customer while its analysis can withstand expert scrutiny. In addition, commission staff and Idaho Power will host public workshops to provide information and perspectives on Idaho Power net-metering program design as well as the design of the study before it is conducted.

The commission's order also requires an opportunity for public comment on the design of the study and public comment on net-metering program design.

During public hearings on the proposed agreement, the commission listened to thirteen hours of public testimony over two days. The commission also received more than 1,000 written comments.

To access documents filed in this case, please visit the commission's website at [www.puc.idaho.gov](http://www.puc.idaho.gov), and click on "Open Cases" under the "Electric" heading. Scroll down to case number IPC-E-18-15.

## **Commission issues decision on requests for reconsideration in Idaho Power Net Metering case**

The Idaho Public Utilities Commission issued its decision on Wednesday regarding petitions for reconsideration in an Idaho Power Net Metering case.

The commission had received eight petitions for reconsideration and/or clarification on an order it issued on Dec. 20, 2019. That order involved how current and future Idaho Power customers who install solar

panel systems would be compensated for surplus energy their systems give back to Idaho Power's electric grid.

In its decision issued Wednesday, the commission largely followed the order it released on Dec. 20, with a few exceptions.

The commission determined it would be more appropriate to grandfather customers by system site, as opposed to by customer. Because the grandfathered status now goes with the system, when a customer sells their house with a grandfathered system, the new homeowner and all future owners of the home will continue to receive 1:1 monthly netting until Dec. 20, 2045. After that, they will be eligible to participate in Idaho Power's net-metering program in place at that time.

The commission also clarified that a customer who has a grandfathered system can put an additional system on their property without losing the grandfathered status of the first system, as long as the energy from those systems is separately measured. The additional system would not have a grandfathered status.

To view the commission's order on the petitions for reconsideration, please visit <https://puc.idaho.gov/PublicDocs/Orders> and click on Reconsideration Order No. 34546.PDF.

## Live-streamed public workshop scheduled for Idaho Power's application to change metering requirement and grandfather existing commercial, industrial, and irrigation customers with on-site generation

Staff with the Idaho Public Utilities Commission will host a livestreamed public workshop to discuss Idaho Power's application that proposes changes to its net metering program for large commercial, industrial, and irrigation customers with on-site generation.

Idaho Power filed an application with the commission seeking to replace the existing two-meter requirement with a single-meter requirement as of Dec. 1, 2020, require large commercial, industrial and irrigation customers who sign up for the net metering program on or after Dec. 1, 2020, to be subject to any future Commission-approved changes to the billing methodology and compensation structure for those groups of customers and grandfather customers who have applied to take service under Schedule 84 before Dec. 1, 2020, to the present terms in Schedule 84 for 10 years.

The commission is located at 11331 W. Chinden Boulevard, Building 8, Suite 201-A. Because of health concerns regarding Covid-19, the public is encouraged to participate through the livestreamed workshop instead of in person. The workshop is on Monday, Sept. 28, from 6:00 p.m. to 8:00 p.m. (MDT). Commission staff will share information on the application and answer questions from the public. Representatives from Idaho Power will also be available to address customer questions and concerns. Those interested in participating online can do so by visiting [idahogov.webex.com](http://idahogov.webex.com) and entering number 133 703 0485. At the next window, enter your name, e-mail address and the password MondayHearing28. Those interested in participating can also do so via phone by calling 1-415-655-0001, and entering the access code 133 703 0485.

For additional information on Idaho Power's application, please visit <https://puc.idaho.gov/case/Details/6523>.

## **Telephonic public hearing scheduled for Idaho Power's application to change metering requirement and grandfather existing commercial, industrial, and irrigation customers with on-site generation**

The Idaho Public Utilities Commission will host a telephonic public hearing to take testimony on Idaho Power's application that proposes changes to its net metering program for large commercial, industrial, and irrigation customers with on-site generation.

Idaho Power filed an application with the commission seeking to replace the existing two-meter requirement with a single-meter requirement as of Dec. 1, 2020, require large commercial, industrial and irrigation customers who sign up for the net metering program on or after Dec. 1, 2020, to be subject to any future commission-approved changes to the billing methodology and compensation structure for those groups of customers and grandfather customers who have applied to take service under Schedule 84 before Dec. 1, 2020, to the present terms in Schedule 84 for 10 years.

The telephonic hearing is on Tuesday, Oct. 13, and starts at 6:00 p.m. (MDT). Participation can be accomplished by calling 1-800-920-7487 and entering 6674832# when prompted. Those planning on testifying are encouraged to start calling in to the hearing at 5:30 p.m. (MDT) on Oct. 13. In the interest of public health and safety, and consistent with guidance from both the CDC and Central District Health regarding mitigation of exposure to Covid-19, the hearing will be telephonic only.

To identify callers and manage the hearing efficiently, those interested in testifying are encouraged to contact Adam Rush at [adam.rush@puc.idaho.gov](mailto:adam.rush@puc.idaho.gov) or call 1-208-334-0339 and provide their name and the telephone number they will be calling in on. Please provide this information no later than 4:00 p.m. (MDT) on Tuesday, Oct. 13, 2020. Additional callers will not be prohibited from testifying, but will be accommodated after the identified callers have testified.

Written comments on the application are due by Tuesday, Oct. 27, 2020.

## **PUC will host online public workshop to share information on Idaho Power application to establish tariff schedule**

The Idaho Public Utilities Commission will hold an online, livestreamed public workshop to share information regarding an Idaho Power application to establish tariff Schedule 68, Interconnections to Customer Distributed Energy Resources.

Idaho Power filed the application after being directed by the commission to file proposed smart inverter requirements with the commission within 60 days of the final adoption of Institute of Electrical and Electronics Engineers standards 1547 and 1547.1, and to study the implementation of a non-export option. Smart inverters can enable a more efficient integration of distributed energy resources, and they convert the direct current output of solar panels into the alternating current that can be used by consumers in their homes and businesses. The Institute of Electrical and Electronics Engineers standard 1547 is intended to provide a set of criteria and requirements for the interconnection of distributed generation resources into the power grid.

Staff with the Idaho Public Utilities Commission will host the online, live-streamed public workshop on Tuesday, Nov. 10, from 1:00 p.m. to 5:00 p.m. (MST), or until the parties involved in the case decide to adjourn. Commission staff and Idaho Power representatives will be available to answer questions during the workshop. Those interested in attending the online workshop can do so in two ways. To participate online, please visit [idahogov.webex.com](https://idahogov.webex.com), and enter the number 133 559 2825. At the next window, enter your name, e-mail address and the password TuesdayWorkshop. To participate by phone, please dial 1-415-655-0001 and enter access code 133 559 2825.

The workshop is intended to provide the parties an opportunity to discuss the issues in the case. Members of the public with or without technical expertise related to the subject matter are invited to participate.

To learn more about Idaho Power's application, please visit: <https://puc.idaho.gov/case/Details/6541>.

## Rocky Mountain Power

### Rocky Mountain Power files application to change its net metering program

On April 23, 2020, the Idaho Public Utilities Commission received a Supplemental Application from Rocky Mountain Power to change how its customers who participate in its net metering program are compensated. The original application was filed June 14, 2019.

In its Supplemental Application, Rocky Mountain Power is asking for permission to close its current net metering program (Schedule 135) to new participants as of July 31, 2020. Customers on Schedule 135 would remain on that schedule, sometimes referred to as "grandfathering", until July 31, 2030 and receive the retail rate for compensation. New customers who apply to participate in the net metering program after July 31, 2020, would do so under a new schedule, Schedule 136. This schedule would compensate customers for exported energy at an export credit rate, rather than the retail rate. Rocky Mountain Power estimates that the current retail rate paid to Schedule 135 customers is about 12.5 cents per kilowatt-hour and the proposed export credit rate for Schedule 136 is 2.4 cents per kilowatt-hour.

Rocky Mountain Power proposes to use three components to determine its export credit rate for customers: an energy component, an avoided line losses component, and an integration cost component. Rocky Mountain Power proposes to use the surrogate avoided resource (SAR) method, with on-peak and off-peak pricing, to

determine the energy value in the export credit rate. The method is used by the public utilities commission to calculate published avoided cost prices under the Public Utility Regulatory Policies Act of 1978. This method reflects the costs the utility would incur if it were to build, operate and maintain a natural gas fired combined cycle combustion turbine. Based on 2019 data and the proposed surrogate avoided resource rates set to take effect on June 1, 2020, Rocky Mountain Power calculates the average value of the SAR-based energy component at \$22.34 per MWh. Rocky Mountain Power calculates the avoided line losses to be \$3.36 per MWh and integration costs to be \$0.25 per MWh.

Rocky Mountain Power also proposes to charge customers a one-time, non-refundable application fee of \$85 that would be submitted with customers' applications for on-site generation.

The changes to the net metering program, including the proposed export credit rate, will be analyzed by the company in a comprehensive study that examines the costs and benefits of net metering. The study process will be conducted in two steps: a study design phase and study review phase, with opportunities for public input during both phases.

The study design phase provides the parties and the public the opportunity to comment on the scope and methods of the comprehensive study. Following the study design phase, the commission will issue an order establishing the scope, and methods of the study. Rocky Mountain Power will then conduct the comprehensive study and file it with the commission. After Rocky Mountain files the study, the commission will issue an order establishing the procedure and schedule for the study review phase. The study review phase will allow parties and the public to comment on whether the study was conducted in a credible and fair manner and whether the study is sufficiently comprehensive to support a well-informed decision regarding Rocky Mountain Power's net metering program.

A workshop on the proposed changes to the net metering program will be held Thursday, June 18, from 6:00 p.m. to 9:00 p.m. The Commission updated its platform subscription to allow more participants and updated log-in and dial-in credentials to be more user friendly.

Those interested in participating can access the virtual public workshop two ways:

- 1) Online: go to [idahogov.webex.com](http://idahogov.webex.com) and enter the number 133 265 3962. At the next window, enter your name, e-mail address, and the password ThursdayMeeting.
- 2) By phone: dial 1-415-655-0001 and enter access code 133 265 3962.

The public workshop is intended to allow Commission Staff to discuss its preliminary views of the Supplemental Application, as reflected in Staff's preliminary comments filed on May 26, 2020, and to receive feedback from the public. See Order No. 34661.

Staff and other parties in this case filed preliminary comments in the study design phase and grandfathering on May 26, 2020. Revised comments are due July 16 and are intended to reflect public input gathered at the public workshop.

A telephonic public customer hearing will be held on Monday, June 22, at 3:00 p.m. (MDT). Those wishing to offer verbal comments or listen can dial 1-800-920-7487, and enter passcode 6674832#.

Those interested in submitting written comments on the study design or grandfathering have until July 16, 2020, to do so. Written comments must contain a statement of reasons supporting them, and those who would like a technical hearing on the study design phase must specifically request a technical hearing in their written comments.

Comments must contain the case number (PAC-E-19-08). Those wishing to submit comments electronically may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the "Case Comment Form" under "Consumers" and complete the form using the case number, PAC-E-19-08.