

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER RAPER  
COMMISSIONER ANDERSON  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** EDWARD JEWELL  
DEPUTY ATTORNEY GENERAL

**DATE:** APRIL 11, 2019

**SUBJECT:** IN THE MATTER OF IDAHO POWER'S APPLICATION TO  
EVALUATE SCHEDULE 84 – NET METERING; CASE NO. IPC-E-19-15.

On April 5, 2019, Idaho Power Company (“Idaho Power” or “Company”) filed an Application requesting the Commission temporarily suspend Schedule 84 for new applicants and “initiate a collaborative process to explore modification to the compensation structure and excess energy value applied under Schedule 84[.]” Application at 2. The Company requests changes to Schedule 84 be implemented by January 1, 2020. *Id.* The Company also requests Schedule 84 be retroactively suspended as of April 5, 2019 during the pendency of the case. *Id.* at 9.

### BACKGROUND

In IPC-E-17-13, the Commission approved the Company’s proposal to separate residential and small general service customers with on-site generation into Schedules 6 and 8. Order Nos. 34046, 34147. This left commercial, industrial, and irrigation (“CI&I”) customers with on-site generation in Schedule 84. Stemming from Commission orders in IPC-E-17-13 are two dockets currently underway, IPC-E-18-15 and IPC-E-18-16.

The Company’s Application has implications for IPC-E-18-15 and IPC-E-18-16, in which the Company and stakeholders have been working together since October 2018 to resolve issues for customers in Schedules 6 and 8. Parties in those cases have expressed apprehension regarding how this Application will interrelate with the ongoing dockets and are generally concerned that merging the dockets, which share some common issues but also separate facts and distinct interested parties, will derail progress made to this point or considerably slow the pace of progress going forward.

## THE APPLICATION

The Company states that, from year-end 2018 through March 2019, the capacity under Schedule 84—including pending applications—has increased 114%, from 1.09 MW to 5.06 MW. *Id.* at 4. The Company is aware of an additional 5.79 MW of capacity from irrigation customers who have requested the Company provide detailed system information. *Id.* at 4-5. The Company states its concern “that flawed economic signals and incentives provided through retail rate net metering may mislead customers considering multi-million-dollar investment decisions in on-site generation.” *Id.* at 5.

The Company recommends the case be processed as follows:

CI&I dual meter measurement interval and compensation structure for Schedule 84 to be determined in IPC-E-19-15.

Value of net excess energy for all on-site generation classes—Schedules 6, 8, and 84—to be determined in IPC-E-18-15. And,

Rate design and rate structures for all classes, including CI&I customers to be determined in IPC-E-18-16.

Application at 8.

## STAFF RECOMMENDATION

Staff recommends the Commission not suspend Schedule 84 at this time prior to receiving input from the parties.

Staff recommends the Commission issue a Notice of Application. Staff recommends the Commission set an intervention and procedural comment deadline two weeks from the service date of the Notice of Application. Staff recommends the Commission request comments regarding:

- 1.) Whether and to what extent this Application impacts or is impacted by IPC-E-18-15 and IPC-E-18-16.
- 2.) Whether IPC-E-19-15 should be processed according to Idaho Power’s proposal on page 8 of the Application.
- 3.) Whether the Commission should process IPC-E-19-15 by modified procedure or by hearings.

- 4.) Whether the Commission should suspend Schedule 84 while IPC-E-19-15 is being processed, and if the Commission does suspend Schedule 84 in the interim, should it be from the date of filing—April 5, 2019—or some other date?
- 5.) Whether the Company's proposed effective date of January 1, 2020 in IPC-E-19-15 is feasible.

#### **COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application, set a two week procedural comment and intervention deadline, and request comments on the above-stated matters?

Does the Commission wish to suspend Schedule 84 at this time?

  
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Edward J. Jewell  
Deputy Attorney General

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