



Idaho Public Utilities Commission

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Paul Kjellander, Commissioner
Mack A. Redford, Commissioner
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Case No. AVU-E-14-10, Order No. 33218

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Avista will award grants for commercial solar applications

BOISE (February 4, 2015) – The Idaho Public Utilities Commission is approving an Avista Utilities application to award grants for rooftop solar applications on small commercial buildings in its northern Idaho territory.

Avista has a \$200,000 surplus in its “Buck-a-Block” renewable energy tariff that will accrue an additional \$150,000 to \$200,000 by the end of 2016. “Buck-a-Block,” in place since 2002, allows Avista customers who want to buy renewable power from regional wind and solar sources to buy in blocks of 300 kilowatt-hours at \$1 per block.

During 2013, about 3,500 Avista customers in Washington and northern Idaho purchased nearly 227,000 blocks or 68,000 megawatt-hours. However, due to the availability of low-cost renewable energy credits in recent years and a plateau in the number of Avista customers signing up for the program, there is a surplus of about \$200,000 in the Buck-a-Block tariff.

Avista proposed to use that surplus to award grants for rooftop solar installations of 20 kilowatts or smaller on commercial buildings. Successful grant recipients would agree to allow their installation to be made available for educating building occupants and members of the community on the benefits of both solar energy generation and Avista’s Buck-a-Block program. Preference would be given to school buildings and other public buildings where the visibility of the installation will have the greatest impact for both educational purposes and solar energy generation.

Commission staff reviewed the proposal to determine its impact on Buck-A-Block participants and on other ratepayers. Staff expressed concern about uncollected fixed costs from program participants that would be shifted to other customers. However, staff determined that the level of uncollected fixed costs associated with this program is so low that it will have little impact on customer rates. Staff recommended that the commission monitor the growth of the program.

Staff was also concerned that a disproportionate amount of the surplus funds would go to Washington customers of Avista because the cost of solar panels is as much as three times higher in that state than in other places. To address that concern, the commission determined

that Avista manage and disburse the funds in proportion to what it collects from participating customers in the utility's Washington (77.6%) and Idaho (22.4%) jurisdictions.

The commission commended Avista for being "proactive in proposing a creative use for excess funds that increases overall awareness of solar energy resources and also provides an education opportunity to the community."

The commission directed Avista to annually report the expenses and benefits for each rooftop installation awarded a grant, including a description of the educational and research benefits actually observed.

To read the commission's order and other documents related to this case, go to www.puc.idaho.gov, click on "Open Cases" under the "Electric" heading and scroll down to Case No. AVU-E-14-10.

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