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Monica B. Moen Attorney

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IDAHO PUBLIC UTILITIES COMMISSION

December 13, 2006

Jean D. Jewell, Secretary Idaho Public Utilities Commission 472 West Washington Street P. O. Box 83720 Boise, Idaho 83720-0074

Re:

Case No. IPC-E-06-17

Application

Dear Ms. Jewell:

Please find enclosed for filing an original and seven (7) copies of Idaho Power Company's Motion to Amend Application in the above-referenced matter.

I would appreciate it if you would return a stamped copy of this transmittal letter in the enclosed self-addressed, stamped envelope.

Very truly yours,

Monica B. Moen

Thomas & Moe

MBM:sh Enclosures BARTON L. KLINE ISB #1526 MONICA B. MOEN ISB #5734 Idaho Power Company P.O. Box 70 Boise, Idaho 83707

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Attorneys for Idaho Power Company

Express Mail Address

1221 West Idaho Street Boise, Idaho 83702 RECEIVED
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IDAHO PUBLIC UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-06-17
REVISION OF SCHEDULE 84 – NET)	
METERING)	MOTION TO AMEND
)	APPLICATION

COMES NOW, Idaho Power Company ("Idaho Power" or the "Company") and, in accordance with RP 056, hereby moves the Idaho Public Utilities Commission (the "Commission") to permit Idaho Power to amend its Application in the above-referenced matter to remove from further Commission consideration Idaho Power's request to modify the compensation paid to Schedule 1 and Schedule 7 net metering customers who generate electricity in excess of their usage.

Despite the requested modification, the Company continues to urge the Commission to authorize the Company to (1) implement the one-meter option for those non-Schedule 1 and 7 customers who meet certain requirements set forth in the

Company's Application in this case and to (2) consider the excess generation provided by Schedule 1 and Schedule 7 net metering customers as an energy resource with the cost to be spread to all retail customers through the Company's PCA mechanism. In support of this Motion, Idaho Power submits the following:

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BACKGROUND

On August 17, 2006, Idaho Power filed an Application with the Commission requesting authority to revise net metering requirements in the Company's Tariff Schedule 84, Customer Energy Production Net Metering. On February 13, 2002, the Commission issued Order No. 28951 (Case No. IPC-E-01-39) which gave Idaho Power authority to create a new net metering option for customers taking service under the Company's Schedule 1 – Residential Service (R1), and Schedule 7 – Small General Service (R7). Net metering for all other retail customers was authorized about six months later. *See* Order No. 29094 in Case No. IPC-E-02-4.

The Company has had the opportunity to assess customer utilization of the net metering program over the past four years. Based on that assessment, the Company filed its Application in this matter in which it proposed certain modifications to the program to provide more equitable results for its customers.

In particular, the Company requested that it be authorized to discontinue paying residential and small general service customers the full retail energy rates for all kilowatt-hours (kWh) generated since the Company was regularly compensating customers for more than the actual value of the generation. As an alternative, the Company proposed to pay residential and small general service net metering customers

the amount it presently pays to net metering customers in other classes for excess generation, that is, 85% of the most recently calculated monthly per kWh avoided energy cost as defined in Schedule 84 (i.e., 85% of Mid-C).

The Commission Staff, in its Comments dated October 13, 2006, recommended that the Company's request to price excess met metering generation at 85% of Mid-C for all customer classes be approved. The Staff further recommended, however, that excess generation be measured on an annual, rather than on a monthly, basis for all net metering customers in all customer classes.

II.

PROPOSED MODIFICATIONS TO THE COMPANY'S APPLICATION

Staff's recommendation that excess generation be measured on an annual, rather than on a monthly, basis for all net metering customers presently poses certain operational and philosophical challenges for the Company that will require additional analysis and examination to better assess the overall impact of that recommendation on the Company's net metering program. Therefore, the Company respectfully requests that it be permitted to amend its Application to remove from further Commission consideration the Company's original proposal to price the compensation paid to Schedule 1 and Schedule 7 net metering customers who generate electricity in excess of their usage at 85% of Mid-C. The proposed amendment affects First Revised Sheet No. 84-3 of Attachments 1 and 3 to the original Application. The tariff language suggested by the Company to reflect the proposed amendment accompanies this Motion as Attachment No. 1.

The Company urges the Commission to continue to review the Company's request to authorize the Company to (1) implement the one-meter option for those non-Schedule 1 and 7 customers who meet certain requirements set forth in the Company's Application in this case and to (2) consider the excess generation provided by Schedule 1 and Schedule 7 net metering customers as an energy resource with the cost to be spread to all retail customers through the Company's PCA mechanism.

WHEREFORE, Idaho Power respectfully requests that the Commission (1) approve under Modified Procedure the proposed revisions to Tariff Schedule 84 as requested in its Application dated August 17, 2006 regarding a one-meter option and to consider the excess generation provided by Schedule 1 and Schedule 7 net metering customers as an energy resource with the cost to be spread to all retail customers through the Company's PCA mechanism and (2) authorize the Company to amend its Application to remove from further Commission consideration its original proposal to price the compensation paid to Schedule 1 and Schedule 7 net metering customers who generate electricity in excess of their usage at 85% of Mid-C.

Monica B. Moen

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 1340 day of December 2006, I served a true and correct copy of the within and foregoing document upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff	X Hand Delivered
Scott Woodbury	U.S. Mail
Deputy Attorney General	Overnight Mail
Idaho Public Utilities Commission	FAX
472 W. Washington (83702)	X Email:
P.O. Box 83720	scott.woodbury@puc.idaho.gov
Boise, Idaho 83720-0074	γ το
Doise, Idanio 65720-0074	

Monica B. Moen

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-06-17

IDAHO POWER COMPANY ATTACHMENT 1

SCHEDULE 84 CUSTOMER ENERGY PRODUCTION NET METERING (Continued)

DEFINITIONS (Continued)

<u>Schedule 72</u> is the Company's service schedule which provides for interconnection to non-utility generation or its successor schedule(s) as approved by the Commission.

<u>Seller</u> is any Customer that owns and/or operates a Generation Facility and desires to interconnect the Generation Facility to the Company's system to potentially sell net surplus energy to the Company.

MONTHLY BILLING

The Seller shall be billed in accordance with the Seller's applicable standard service schedule, including appropriate monthly charges.

CONDITIONS OF PURCHASE AND SALE

The conditions listed below shall apply to all transactions under this schedule.

- 1. Balances of generation and usage by the Seller:
- a. If electricity supplied by the Company during the Billing Period exceeds the electricity generated by the Seller and delivered to the Company during the Billing Period, the Seller shall be billed for the net electricity supplied by the Company at the Seller's standard schedule retail rate, in accordance with normal metering practices.
- b. If electricity generated by the Seller during the Billing Period exceeds the electricity supplied by the Company during the Billing Period, the Seller:
 - i. Shall be billed for the applicable Demand and other non-energy charges for the Billing Period under the Seller's standard service schedule, and
 - ii. Shall be financially credited for the net energy delivered to the Company during the Billing Period at the Seller's standard service schedule retail rate for Schedule 1 or Schedule 7 service. Sellers taking service under schedules other than Schedule 1 or Schedule 7 will be credited an amount per kWh equal to 85 percent of the most recently calculated monthly per kWh Avoided Energy Cost for the kWh of Excess Net Energy delivered to the Company.
 - iii. Shall not be financially credited for Excess Net Energy delivered to the Company if taking service under a schedule other than Schedule 1 or Schedule 7 and the qualified Seller is utilizing the One-Meter Option.
 - iv. Shall, if taking service under a schedule other than Schedule 1 or Schedule 7, be billed the applicable retail rate for any net usage delivered by the Company and recorded on the Seller's generation meter.