

DECISION MEMORANDUM

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

FROM: DAPHNE HUANG
DEPUTY ATTORNEY GENERAL

DATE: JULY 1, 2016

SUBJECT: IDAHO POWER'S APPLICATION TO MODIFY OPTIONAL
SCHEDULE 62, GREEN ENERGY PURCHASE PROGRAM RIDER,
CASE NO. IPC-E-16-13

On June 22, 2016, Idaho Power Company filed an Application with the Commission to modify its Schedule 62, the Green Energy Purchase Program. The proposed modifications do not change customer rates associated with the ongoing funding of the Program, but change the Program's pricing structure, Renewable Energy Credits (REC) sourcing and certification, and the treatment of certain program expenses. Idaho Power asks that the case be processed by Modified Procedure, and that the proposed modifications become effective 60 days after Commission approval, to allow adequate time to reprogram and test its billing system in accordance with the Commission's Order.

BACKGROUND

The Commission approved Idaho Power's Schedule 62 Green Power Program in February 2001, as an optional program to allow customers and non-customer participants to participate in the purchase of new environmentally friendly green energy." Order No. 28655; Application at 2 (footnote omitted). Participants' contributions to the Program go towards the purchase of Green-e certified Renewable Energy Credits (RECs). Application at 2. "A REC is created when a megawatt-hour (MWh) of renewable energy is produced and delivered to the grid." *Id.* It is "a tradable, non-tangible commodity that represents the environmental attributes associated with one MWh of electricity generated from a renewable energy resource and can be sold separately from the electricity commodity." *Id.* According to the Application, "Green-e

Energy is the nation’s leading independent certification and verification program for renewable energy.” *Id.*

THE APPLICATION

Idaho Power’s proposed modifications are in response to customer input, received during meetings with the Company from February 2014 to early 2016. *Id.* at 3. The Company states that the proposed changes are intended to “satisfy changes in customer preference . . . [and] align the Green Power Program with the best practices of other green programs in the industry.” *Id.*

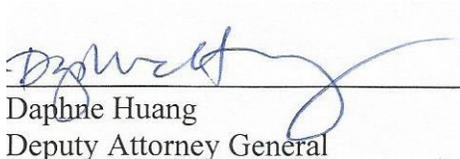
The proposed modifications include: (1) existing Dollar Contribution Method would be replaced with both a block option and a 100 percent of usage option; (2) the Bonneville Environmental Foundation (BEF), which facilitates the purchase of green energy for the Program, would give preference to RECs from sources located closest to within Idaho Power’s service territory, when possible; (3) Idaho Power would seek Green-e certification of the RECs purchased through BEF; (4) up to 15 percent of the total Program funds would be used for Program marketing expenses, to allow the Company to reach more customers. *Id.* at 2-5.

STAFF RECOMMENDATION

Staff recommends that the Commission issue a Notice of Application and Notice of Modified Procedure with a 28-day comment period.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure with a 28-day comment period?



Daphne Huang
Deputy Attorney General

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