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2013 MAY 10 PM 1:25

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UTILITIES COMMISSION

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Attorney for Idaho Clean Energy Association Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE
APPLICATION OF IDAHO POWER
COMPANY FOR AUTHORITY TO
MODIFY ITS NET METERING SERVICE
AND TO INCREASE THE GENERATION
CAPACITY LIMIT

Case No. IPC-E-12-27

DIRECT TESTIMONY OF MATTHEW DUNAY

ON BEHALF OF IDAHO CLEAN ENERGY ASSOCIATION

May 10, 2013

1 Q. What is your name and business address?

2 A. My name is Matthew Dunay, and my address is 780 E Lenz St., Boise, Idaho
3 83712.

4 Q. What is your occupation?

5 A. I own and operate a solar installation company called Altenergy Incorporated.
6 We are located in Boise, Idaho and have been operating here since 2011. Most of our
7 revenue is produced from installing net-metered solar photovoltaic systems on homes
8 and businesses.

9 Q. Do you have any certifications or licenses in the solar industry?

10 A. Yes, I have a NABCEP installer certification (North American Board of
11 Certified Energy Practitioners) and I am a licensed specialty electrical PV journeyman
12 in the State of Idaho.

13 Q. Why are you testifying?

14 A. I am testifying for two reasons first, because these proposed rate changes have
15 had a severely negative impact on my business and, second, to protect my past, present
16 and future customers.

17 Q. Has the threat of these requested rate changes hurt your business?

18 A. Yes, regardless of the outcome of this case, my business has been affected in a
19 negative way. This process has already taken four months and will likely take six
20 based on prevailing schedule. Even if these rate requests are denied, our business will
21 still have lost 1/2 of our revenue producing year.

22 Q. Do these requests to change the current net metering policy account for any
23 benefits net metered solar energy systems bring to all Idaho Ratepayers?

1 A. No, I believe the company has not assessed any of the benefits net metered solar
2 energy systems bring to the Idaho Ratepayers in their current plan to change the net
3 metering rate schedule. These benefits include providing peak power, reducing the
4 need for new infrastructure (transmission lines and power plants) and making Idaho's
5 electrical grid more efficient. All of these benefits lead to the cost reduction of
6 electricity and benefit Idaho Ratepayers.

7 Q. How have these rate change requests hurt your business?

8 A. Lost productivity and lost revenue. We have at least three "shovel ready" solar
9 net metered installations that have been put on hold until these proposed rate changes
10 are denied. It should also be noted that we have had many conversations with potential
11 customers who are not even interested in solar installations until they can be assured the
12 Company's requests will be denied. Furthermore, our company has spent many hours
13 fighting these unfounded proposed rate changes by attending meetings, analyzing data,
14 talking with rate payers, and writing testimony. For a small company, these extra
15 burdens are very difficult to endure without going out of business. They amount to
16 extra regulatory burdens that are bad for businesses.

17 Q. How does a cap on total net metering capacity affect your business?

18 A. A cap on total net metering capacity causes my business to be put on hold
19 while a new total capacity is approved by the IPUC. This process so far has taken four
20 months. Based on the current growth rate of net meter customer, the Company's
21 proposed 5.8Mw cap will be reached with 2-3 years. I'm very concerned that the
22 current total cap of 5.8MW will cause my business to go through another 6 month
23 recession until a new agreement is reached. It is very important to me and the business

1 community that one result of this effort is the formation of policy and a distinct
2 program structure that will last for a significant time.

3 Q. Were you notified that the Company was considering any of these proposed rate
4 changes before it filed Case N o. IPC-E-12-27?

5 A. No.

6 Q. Were you or anyone you know in your industry asked by the Company to
7 consult or contribute these proposed rate changes?

8 A. No.

9 Q. Do you believe these proposed rate changes will have a negative effect on the
10 solar industry within Idaho Power's service Territory?

11 A. Yes. Based on my own analysis, submitted comments and discussions with the
12 public, I believe these proposed rate requests will have a dramatic declining effect on
13 the amount of installed solar energy systems. Most of our past customers chose to
14 install solar PV systems to protect themselves from the rising costs of energy. They
15 want the freedom to produce their own electricity on their own roofs. They are paying
16 for the infrastructure to connect their homes and businesses to the grid through the
17 current fixed fees charged by the Company.

18 If the requests to increase monthly fees and to change the rate structure for net
19 metering customers are granted, there will be less potential solar customers. If the cap
20 is only doubled, there will be more hardship for solar companies while a new cap is
21 negotiated. Jobs in the solar industry will be lost and solar energy companies will go
22 out of business because of lost potential customers and lost productivity.

23 Q. Does that conclude your testimony?

1 A. Yes it does.

CERTIFICATE OF SERVICE

I hereby certify that on the 10th day of May, 2013, I caused to be served, via the method(s) indicated below, true and correct copies of the foregoing document, upon:

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