July 14, 2013

Idaho Public Utilities Commission
Attn: Jean D. Jewell, Secretary
472 West Washington Street
Boise, Idaho 83702

RE: Seeking Reconsideration of Order No. 32846 opposing IPC's proposal to modify the "Net Metering Service" under case No. IPC-E-12-27

Dear Commissioners:

We want to submit our response as provided for on page 20 of your "Order No. 32846" as a Petition for Reconsideration. This letter is within the 21-day time period of the filed Order dated July 3, 2013.

In our opinion and to paraphrase Mr. Iverson (letter dated July 10, 2013) the IPUC decision was an arbitrary action, whereby the Commission has disregarded thorough researched and well-thought out responses from the public, intervener's attorneys and the IPUC's own staff permitting the removal of real financial value placed on kW hours credited to small producers is a grim mistake. We further believe these serious errors will cause dire consequences for everyone within the State of Idaho and stymie future growth.

1. The Commission states on Page 15 of the Order..."Based on our review ..., we find it fair, just and reasonable for the Company to compensate net metering customers ... using a kWh credit instead of a financial credit or payment."

Comment: If there was ever an arbitrary statement, this clearly is it! It indicates the Commission's bias which plainly removes incentives for any future investment or growth in renewable energy. Despite previous cases wherein the IPUC ruled kWh are directly affected by the season, categorizes them within separate levels and acknowledges specific seasonal financial value. But now in Order No 32846 the Commission concedes that kWhs has value but flat line the financial worth for net metering customers, instead they are issuing "non-transferable credits"!!! In so acting, the Commission certainly supports and sustains IPC's position without due reasoning or thought, because this ruling fails the State of Idaho and its people. This will only further weaken the future of all solar or renewal energy projects within the State. In removing any incentive to invest in renewable energy the Commission automatically consents to much more expensive fossil fuel to remain the norm.

2. Again on Page 15 of the Order, the Commission continues..."While we want to encourage net metering, we believe that financial credit or payment may incent potential net metering customers to overbuild their systems. The net metering tariff is for those who wish to offset a portion of their load"

Comment: Again the Commission indicates its symptomatic bias by limiting net metering on "a portion of their load." Nevertheless, the wording of the net metering tariff is "for those who wish to offset a portion OR ALL OF their load (emphasis added)."

With this ruling the Commissioners ominous attitude towards net-metering customers system's size, discourages them from even considering building. Thus the ruling does create an "over build" precedent issue for all small net-metering customers anywhere in country because it only rewards and encourages large scale energy producers to move to Idaho! Moreover, this ruling directly contradicts the State of Idaho 2012 Energy Plan to do all that we can as a State to attempt to produce as much non-polluting and non-water using clean renewable energy as we possibly can.

3. The Commission continues (pg 15, Order No 32846) "Those wising to be wholesale power providers should look to Schedule 86 as the vehicle for that type of transaction."

Comment: Thus punishing the net-metering customers whose system is built to cover their maximum energy usage (under 25kWh). For the small net-metering customer Schedule 86 instigates unnecessary overbuilding of IPC utility lines (3-phase), places non-firm value on kWh, hefty insurance costs and scheduling obligations.

4. The Commission continues (pg 15, Order No 32846) "We believe that removing the cash payment takes away this gaming opportunity and encourages customers to right-size their systems."

Comment: Again to paraphrase Mr. Iverson's letter, in the Idaho Solar Initiative cited its goal as being "5000 Solar Roofs for Idaho" and it never once mentioned concerns about "over building, right-sizing or gaming" of home systems as cited by the IPUC. Therein dramatically affecting all future forward thinking yet, conservative net-metering customer with a large family or large home and small general service businesses are penalized. Perhaps the Commission needs to define and quantify small, medium and large systems categories because the one size fits all approach is not working but certainly they shouldn't inhibit any energy conservation or progress.

According to the Solar Electric Power Association (SEPA) (June/July issue, Pg 68) "Many utilities that did not take solar and distributed generation seriously as recently as 2-years ago do so now. Even utilities that have not seen much solar on their own power systems know it is coming. ...Utilities do not lose profits from solar, but they are concerned about losing revenues that cover fixed system cost and how this will affect non-solar ratepayers and rate increases in general. Distribution planning design can differ substantially from one electric utility to another, even within the same state. A more urbanized utility may use a looped design and high voltages, while a neighbor that serves a more rural area may rely on radial, low-voltages lines. The ability to accommodate increased solar penetration varies with the distribution design. Historically, utilities have always designed for peak loads. Most do not plan around-and do not measure-low loads, though it is at periods of low loads and high exports of PV that problems can arise in a system. Utility engineers do know the system design basis – the protection scheme that ensures the safety and reliability of the distribution system...Streamlining the interconnection process is good for all concerned. It is a work in progress in active solar areas, where application volumes have swamped utility systems not designed for the recent rise in activity...One large California utility says that

the single most common reason it has to return interconnection paperwork is because the single-line diagram and the application describe different systems."

President Obama just recent expressed dire consequences for the USA energy users in cleaning-up coal-fire plants and causing high power rates due to the lack of energy within the country. Now is not the time for the State of Idaho to retreat or deviate from its position to stimulate renewable energy and conservation approach to both water and power. Already this year we are looking at extended periods of triple-digit hot weather with water and energy shortages. If this global trend continues, Idaho may be looking at brown-outs in the very near future. No body wants to alienate Idaho Power Company, The Commission or anybody else for that matter, but only when the Commissioners reconsiders this portion of the Order, then the evolution of green energy can be restored to the State of Idaho.

In closing, we are attaching a reproduction from a portion of Mr. Iverson's letter that directly copied portions from the Idaho Energy Plan 2012 (including his informational comments).

Sincerely,

Everett & Eileen Vanderpool

Everett & Eileen Vanderpool
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Star, ID 83669
208-286-0459

Attachments (last 4 Pages from Mr. Iverson's July 10 letter)

Cc: Senator Elliot Werk
Senator Michael Crapo
Senator James Risch
Mr. John Chatburn, Chair Idaho Office of Energy Resources
Mr. Scott Pugrud, Energy Specialist, Idaho Office of Energy Resources
Mr. Nathan J. Davis, Federal Energy Regulatory Commission
Mr. Dean J. Miller, McDevitt & Miller LLP & Idaho Clean Energy Assoc.
Mr. Benjamin Otto, Idaho Conservation League
Mr. Peter Richardson, Richardson & Adams LLC
Mr. John Hammond, Jr., Batt Fisher Pusch & Alderman LLP
Ms. Lisa Nordstrom, Idaho Power Company
Mr. Gary Iverson, Sr.

Recommended Policies and Actions - Idaho Energy Plan 2012

Electricity RESOURCES Policies

1. The State of Idaho should enable robust development of a broad range of cost-effective energy efficiency and power generation resources within environmentally sound parameters.

2. Align legislative policies, regulatory policies, and state agency activity to consistently reinforce and support state objectives regarding energy efficiency, energy production, and delivery.

4. Encourage the development of customer-owned and community-owned renewable energy and combined heat and power facilities that meet the Energy Plan objectives of the State of Idaho. (Emphasis added.)

Author's Comment: The most recent actions of the IPUC Board violated the intent and direct stated plan to "encourage the development of customer owned renewable energy" which is not in any way limited to roof top or any other size..... IPUC actions have NEVER been in any plan as you will see later on below.....
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E-4. Idaho's electric utilities should continue evaluating transmission as a resource option in resource planning and should continue participating in the development of local, sub-regional and regional, national, and international transmission plans to construct transmission facilities that are needed to provide reliable, low-cost energy service to their customers.

E-6 The State of Idaho should encourage technologies that minimize emissions, harmful pollutants, and consumptive use of water. (Emphasis added.)

Author's Comment: Note that we DO have some problems with our distribution system being undersized for the current and future loading..... any solar generation helps with this need right now! Also, from E-6, with the future of wind generation in question at times due to many various reasons, we are left with ONLY solar meeting every one of these state's objectives in the Plan. The current actions of the IPUC now put even this into question for the future in Idaho.
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RENEWABLE GENERATION RESOURCES

Actions

E-7. Idaho should encourage cost-effective investment in renewable generation and combined heat and power facilities.

E-11. It is Idaho policy to encourage investment in customer-owned generation; therefore the Idaho PUC, utilities, municipalities, and cooperatives are encouraged to ensure non-discriminatory policies for interconnection and net metering.

********** AND below *********

Table 1.1. Facts About Energy in Idaho

52%	Share of Idaho's 2009 electric energy supply that was imported from out of state
38%	Share of Idaho's 2009 electricity fuel mix that came from coal-fired power plants
3.4%	Share of Idaho's 2009 electricity supply that came from non-hydro renewable energy sources
46.5%	Share of Idaho's 2020 electricity supply that is expected to come from non-hydro renewable energy sources based on 2011 Idaho utility resource plans
19th highest	Idaho's energy intensity as a share of the state economy compared to other states

Author's Comment: In E-11 and in table 1.1 we see WHY the State of Idaho's Energy Plan wants to encourage and NOT to discourage things like solar and net metering! Look how much of our energy is imported! Imported energy is expensive energy..... the 0.08% that goes to solar is a mere drop in the bucket, so why single it out for singular abuse? Notice that we only have 3% of our supply form non-hydro renewables..... that is ALL forms of non-hydro renewables..... no need to wonder why with the failure of the IPUC to protect the citizens of this state from a greedy Company and it's continued failure to support it actively. (The Energy Plan mandates such support.)
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1.4.3. Recommended Policies and Actions

ELECTRICITY

Idaho citizens and businesses have benefitted from a stable, reliable and low-cost electricity supply and this Energy Plan does not recommend major changes to the structure of Idaho's electricity industry. At the same time, the Committee recognizes that investments in new generating resources are becoming increasingly challenging due to volatile fuel costs and increasing environmental concerns and that Idaho's current dependence on coal resources for nearly 40% of its electricity supply could leave the state vulnerable to potential carbon regulation. Enhancing energy conservation and efficiency measures and continuing to support the further development of cost-effective in-state renewable energy resources in order to reduce Idaho's dependence on imported coal-fired power are important aspects of Idaho policy.....

ENERGY EFFICIENCY AND CONSERVATION

The Committee finds that energy conservation and energy efficiency measures provide the greatest economic and environmental benefits for Idaho (and enhanced economic competitiveness for our businesses) and should be one of Idaho's highest priority energy resources and thus it is a major focus of the 2012 Idaho Energy Plan. The Committee believes that increasing investments in energy conservation is in order to reduce Idaho's dependence on out-of-state energy sources. (Emphasis added.)

NOTE from page 27 of the 2012 Idaho Energy plan.....

The state produces about 25 percent of the energy it consumes, as shown in Figure 2.3.22 Most of the energy produced in Idaho comes from hydroelectric dams. The state's reliance on energy from neighboring states indicates that infrastructure maintenance and development such as highway, rail, pipeline, and power lines are critical to support economic development. (Emphasis added.)

Author's Comment: We see here as fact, that Idaho only produces about 25% of our own States power and we NEED more: our demand is NOT decreasing over time either! Coal is one of the worst energy sources (if one can choose which to use), due to the high carbon emissions output. We should be doing all we reasonably can to support the one fully clean and renewable that we do have. One that seems to have zero negative impact anywhere or in any way: That one form is solar/ PV. The Idaho Energy Plans have all done that, but IPUC seems to have lost their vision and will.
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2.3. IDAHO RESOURCES

Idaho currently has no commercial coal, oil or natural gas resource extraction operations (although natural gas exploration and test wells have been drilled and production is anticipated to begin in late 2011.) Idaho does have a variety of renewable resources available for potential development, including wind and small hydro power, geothermal, biomass, and solar energy. (Emphasis added.)
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2.3.7. Solar IEP page 49

Solar energy is harnessed through a few different technologies. Solar Photovoltaic or PV systems convert sunlight to electricity. These systems may be small systems on individual homes and businesses or large central generating utility systems .

Southwest Idaho's solar potential is very similar to that of the desert southwest, which has the highest solar potential in the United States. This allows Idaho many opportunities for solar power applications; however, despite its excellent solar resource potential, Idaho is behind much of the rest of the country in solar installations. It is estimated that a total of 1 to 1.2 MW of solar PV is currently installed in Idaho. In 2010 alone, the Solar Energy Industry Association estimates 1,737 MW of PV were installed in the US.[82] (Emphasis added.) (Q: WHY so little in Idaho?)

of 1 to 1.2 MW of solar PV is currently installed in Idaho. In 2010 alone, the Solar Energy Industry Association estimates 1,737 MW of PV were installed in the US.82 (Emphasis added.) (Q: WHY so little in Idaho?)
A few of the benefits of solar include utilization of an abundant Idaho resource, no greenhouse gas emissions. distributed generation, and potential for an additional manufacturing industry in the state. Though solar is an intermittent resource, its intermittency is consistent, and in general its production potential lines up well with high demand (mid-day). As control systems continue to improve, there is good likelihood for solar to play an important role. Cost is currently the major barrier to installation of photovoltaic (PV) systems, although the price of PV systems continues to decline rapidly, making wide-scale use of solar power for electricity generation less prohibitive.

Author's comment: Here you see that the Idaho State Energy Plan sees the distinct and clear value to Idaho and it's people of supporting and encouraging solar PV power, yet our IPUC has just further weakened any hope of a solar future for the State of Idaho with their arbitrary and biased move! By ignoring the people's will and the true unbiased input of their staff, I believe that they have clearly demonstrated that they have lost the will to govern rightly without bias, lost the vision of Idaho's future in clean renewable energy, and are not following the Idaho Energy Plan. This is particularly important when considering any future for Solar PV power.
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2.4.6.....
Idaho's Conservation Program Funding Charge of 1.5% of customer electricity bills is collected and administered by Idaho's electric utilities following a 2002 ruling by the Idaho Public Utilities Commission. Idaho budgeted over $50 million in 2010 to promote energy efficiency and load management (including residential and low-income programs) in the state through initiatives administered by Idaho utilities and the Northwest Energy Efficiency Alliance.108

Author's comment: Here we are already - all of us paying - for this..... where is it going? Was it used wisely? How long did what we pay for last? Long term, did we actually accomplish anything at all? Even if there were to be found some small inequity in the current net metering plan, it is obviously a VERY small inequity that does not even come close to this amount of money taken from everyone by force of law. FACT. Give away $50 million and cheat PV??
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Distributed energy systems can include micro-turbines, photovoltaic installations, combined heat and power, biomass, wind, and gas turbines, and can be favored due to their relatively low-cost operation, small size, flexibility as well as many of distributed energy technologies being renewable in nature. These systems can be placed close to customer load, reducing or eliminating the need for transmission. In some cases a distributed generation unit can even be used as an alternative to connecting a customer to the grid. In addition, well chosen distributed generation locations can even reduce grid losses and can provide ancillary services which improve grid stability (such as reactive power, frequency and/or voltage control).184 (quoted from page 94.) (Emphasis added.)

Author's comment: Please do note that there has NEVER been, in any of any of Idaho's Energy Plans a problem with size, over size, over-built, or any other arbitrary limit! The desire to reduce our energy dependence, import, and pollution is the overwhelming thought and intent..... what happened to this "vision" in the offices of the IPUC?? Where did this bologna about "right-size system & over built" come from? A lunch conference with the "Company"?
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3.7.3. Environmental Impacts and Carbon Regulation211
Paragraph 2..... It is likely that global and national efforts to control CO_2 will impact Idaho's economy; both through energy pricing and our overall economic competitiveness. Idaho is among the nation's largest per capita energy importing states and many of our energy imports come from coal-fired power plants that are most susceptible to carbon-based price increases. If pending regulations increase power production costs, utility regulators in states hosting the power production facilities may act to protect the consumers in their region. This could further increase the price of power sold on the open market.

Author's Comment: here we are in beautiful Idaho, yet, we as a state use so much carbon and air polluting sources of power that we are one of the nation's largest polluters per capita..... let's see if we can stop our non-polluting renewables all together, shall we? Our IPUC is doing very well right now to further the suppression of Solar Power.
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From page 118, Idaho Energy Plan.....

Idaho could take actions to attempt to mitigate potential greenhouse gas emission regulations through:

2. Supporting development of additional low carbon resources such as geothermal, bioelectricity, wind, solar, distributed hydropower, and biomethane. (Emphasis added.)

Author's Comment: **An honest question for thought,** "How can Idaho actively support these non-polluting, renewable sources best, and what might that support be in the form of?"

In answering that, there is ONE thing for certain.... the current IPUC Board has proven that it just does not get it. These people are NOT helping. These people have failed the State of Idaho and it's people.

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From page 120.....

E-11. It is Idaho policy to encourage investment in customer-owned generation, therefore the Idaho PUC, utilities, municipalities and cooperative utilities are encouraged to ensure non-discriminatory policies for interconnection and net metering.

The Committee finds that it is in Idaho's interest to encourage customer ownership of small-scale renewable generation such as wind, solar, or micro-hydro in addition to larger facilities that qualify for PURPA payments. Idaho's investor owned utilities have established interconnection and ‚net metering' policies for these resources and Idaho's municipal and cooperative utilities have developed model policies through the Idaho Consumer-Owned Utilities Association. The Committee urges the PUC and Idaho utilities to review these policies to ensure that they encourage investment in small-scale renewable resources and to fully implement these policies as quickly as possible. (Emphasis added.)

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CE-10. Idaho State Government will:

I. Demonstrate leadership by promoting cost-effective energy efficiency, energy efficient products, use of renewable energy, and fostering emerging technologies by increasing energy efficiency in State government;

iv. Work to identify and address barriers and disincentives to increased acquisition of energy conservation and efficiency; (Emphasis added.)

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Author's Concluding Comments:

Idaho as a State, "Planned and Intended" that the IPUC would actively support all forms of BOTH large and small renewable energy which includes solar PV at private homes, etc. The recent IPUC actions do NOT fulfill this plan nor intent, but show a serious lack of understanding, intent, and compliance with the Idaho Plan in what they do in these areas. Their own words and actions are their judge. The current IPUC action in Order NO. 32846, on several other areas I did not cover..... words they have used that I did not even include in this, also demonstrate a complete disregard for the Idaho State Energy Plans past and present. In reality, ALL - in it's entirety - of the Idaho Power Company proposal beginning back with Order NO. 32715 should have been dismissed with prejudice as being unreasonable, over bearing, heavy handed, unfair, unequal, and against the State's Energy Plan..... but it was not. In fact, many of the most onerous of the intended newly proposed charges and monetary penalties were not only - NOT factually dismissed as being wrong..... and they were just simply evil wrong..... but were held off for now, and cleverly worded so that they could be brought back again for consideration but under a slightly different venue (where they could then quietly be slipped in when no one was looking).(?) This sort of thing is NOT and should never be, a function of our PUC! Please DO reconsider your present action in future intentions in this matter.

Gary L. Iverson, Sr.
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