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UTILITIES COMMISSION

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Attorneys for City of Boise

Before the

IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE) Case No. IPC-E-12-27
APPLICATION OF IDAHO POWER)
COMPANY FOR AUTHORITY TO)
MODIFY ITS NET METERING)
SERVICE AND TO INCREASE THE)
GENERATION CAPACITY LIMIT)

DIRECT TESTIMONY OF CECE GASSNER

ON BEHALF OF

THE CITY OF BOISE

May 10, 2013

ORIGINAL

1 **Q: Please state your name and business address.**

2 A: My name is Cece Gassner, and my business address is 150 N. Capitol Blvd.,
3 Boise, Idaho 83702.

4 **Q: On whose behalf are you submitting this pre-filed direct testimony?**

5 A: I am submitting this on behalf of the City of Boise (the "City").

6 **Q: By whom are you employed and in what capacity?**

7 A: I am employed by the City of Boise, and my title is Assistant to the Mayor for
8 Economic Development. I have served in this capacity for nearly five years. My duties
9 include business retention and expansion within the City, as well as business attraction to
10 the City of Boise.

11 **Q: Please describe your educational background.**

12 A: I have a Bachelor's of Science degree in biomedical engineering from Duke
13 University, Durham, North Carolina. I also have a Judicial Doctorate degree from
14 Boston University, Boston, Massachusetts.

15 **Q: Have you previously testified in front of the Idaho Public Utilities
16 Commission ("PUC" or "Commission")?**

17 A: No, I have not. I did serve as a deputy attorney general representing the
18 Commission from 2005 to 2007, but have not previously testified in a proceeding before
19 the Commission.

20 **Q: What is the purpose of your testimony?**

21 A: I am testifying to provide information related to the City of Boise's economic
22 development efforts, specifically as they relate to renewable energy companies, and the

1 effects the changes to the net metering tariff, as proposed in the Application submitted by
2 Idaho Power Company (“IPCo”), would likely have on those efforts.

3 **Q: How does the renewable energy industry fit into the City’s economic**
4 **development efforts?**

5 A: The City considers the renewable energy industry to be important in its
6 economic development portfolio. For example, Southwest Idaho is an excellent location
7 for the use of solar photovoltaic cells for energy generation, and thus a great market for
8 those involved in the installation, repair and monitoring of solar panel arrays. In
9 addition, researchers at Boise State University and the Idaho National Laboratory are
10 actively studying a variety of renewable energy technologies and platforms. It would be
11 only natural for the research coming out of those institutions to be prototyped and
12 commercialized in and around Boise.

13 In fact, in September 2010, the City, working with Boise State University and
14 the Small Business Development Center, opened up an incubator housed in a City-owned
15 building — the Greenhouse — that has a preference for “green” and renewable energy
16 companies. We wanted to send a clear message that we believe this industry is a good fit
17 for our city, with our abundance of natural resources and strong commitment to
18 sustainability.

19 We were also very pleased to welcome Enphase Energy to Boise. They are
20 based in northern California, but needed a location for their customer service center and
21 chose Boise. This center provides highly technical customer support for their products,
22 which includes the micro-inverters on solar panels for arrays on residential and
23 commercial buildings.

1 **Q: What effect do you believe the proposal from IPCo in this matter would**
2 **have on economic development in the City?**

3 A: I believe the proposal would have a deleterious effect on the City's economic
4 development, both in essentially shutting the doors of the businesses already housed in
5 Boise, as well as sending a negative message to businesses that are looking to expand to
6 new locations. In fact, we are already hearing from companies that install solar panel
7 systems that their business decreased dramatically almost immediately after the filing of
8 this Application.

9 As in just about any industry, when companies are looking for a location for an
10 expansion or relocation, they often are looking for a community that would serve as a
11 market for their products and/or services; that is, they want a place where the citizens
12 would also be customers. The rate design proposed in this Application would essentially
13 eliminate the development of solar energy generation through IPCo customers becoming
14 net metering customers. The market would likely hold at current levels (assuming those
15 customers maintain their systems) with no growth.

16 **Q: Have companies in the renewable energy industry considered Boise as a**
17 **location option and decided not to locate a facility here?**

18 A: Yes. Solar City, one of the largest solar panel system installation companies in
19 the country, had Boise on its "short list" of places for a facility, which would have
20 brought approximately 400 jobs to Boise. During Solar City's site visit to Boise, the
21 representatives made close observation of the number of panels they saw on homes. In
22 the end, Solar City chose to locate that facility in Las Vegas, Nevada, citing the larger

1 workforce available there, as well as the perception of a lack of a market in Boise for
2 their product.

3 **Q: When did Solar City make their decision about the location of their**
4 **facility?**

5 A: While I cannot say exactly on which date the company made that decision, it
6 communicated that decision and their reasons therefore on or about January 15, 2013, to
7 the City's partners at the Boise Valley Economic Partnership, about six weeks after this
8 Application was filed.

9 **Q: Is there anything else you would like to add?**

10 A: The City of Boise believes that renewable energy sources are going to be the
11 main drivers of power in the future and we need to start preparing for that future today.
12 Our renewable energy industries were starting to show signs of promise and demonstrate
13 how they could be value added to our city's and our state's economy. Other states and
14 other countries are actively promoting this industry as what will help get our economy
15 moving again, and are implementing smart policies and programs to help those industries
16 grow rather than cut them off at the knees. We believe it would be a shame to adopt a
17 policy that would, in effect, concede this industry not just to other states, but to other
18 countries.

19 **Q: Does this conclude your testimony?**

20 A: Yes, it does.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY That on this **10th** day of May, 2013, I caused a true and correct copy of the foregoing to be served upon the following in the manner indicated:

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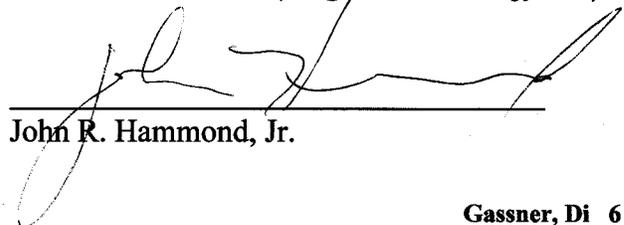
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