

February 19, 2013

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

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IDAHO PUBLIC
UTILITIES COMMISSION

RE: Case No. IPC-E-12-27
Proposed Net Metering Changes

Dear Ms. Jewell,

It is my understanding, during December, 2012 that Idaho Power Company (IPC) petitioned the Idaho Public Utility Commission (IPUC) to change its Net Metering Agreement with its customers. IPC's proposed Net Metering changes will dramatically alter all renewable energies within the State of Idaho, now and in the future. Green energy is in its infancy stages within the State. Nevertheless, renewable energy brings important and productive jobs into Idaho. Several schools are currently educating its students on the importance of natural energy sources. Even the State of Idaho plans to incorporate ecological energy strategies.

If the proposed Net Metering changes go into effect, it will destroy the future for solar, wind, hydro, bio-mass or cogeneration from ever establishing a foothold within the state. It also penalizes all of IPC's net metering customers for putting their excess energy back onto IPC's grid. It will cost these customers dearly for having renewable energy equipment, which they purchased out of their own pocket and at no cost to IPC. Now IPC wants to charge these net metering customers based on a daily peak reading but only documents and reviews those changes twice a year to establish a controlling "Basic Charge kW". This reading is displayed by their new AMI meters in kWhs and will only change when bumped by additional solar energy production or IPC's customer's grid demand use (adding to the "peak indication value"). *This "peak" is a momentary high amplitude level occurring in the new AMI meters, which is not a true indication of the actual power being used or even produced.* Because the AMI meter cannot differentiate between energy production or consumption in kWhs. Therefore the AMI meter reading will always indicate the same amplitude value unless additional energy is used or produced. With the resulting error IPC will charge the net metering customer more per day for solar energy produced plus all grid energy used simultaneously. *This error multiplied daily will grossly inflate costs during this billing cycle enormously!!* Remember IPC's intent is to use the "peak value" ascertained daily by the AMI meters but only reviewed by IPC twice a year. Nevertheless, IPC does intend to bill and collect its fees monthly. In my opinion, IPC does not intend to pay its net metering customer one red cent, instead it wants to take their energy, take their clean renewable energy certificate credits, and then wipe out any energy benefits their customers may have at the end of the year.

Idaho Power relies heavily on fossil fuel, which according to The Idaho Statesman IPC claims it is the cheaper means for its customers, in the foreseeable future. Nevertheless,

IPC has a long-standing financial arrangement with a number of other larger electric utilities. They jointly use and wheel the power produced from several fossil fuel burning plants in neighboring states. IPC has filed numerous grievances with the IPUC whenever a large renewable energy company attempts to bring an alternative power source into the State of Idaho. IPC insists these alternative power companies surrender its Renewable Energy Certificates (REC). IPC wants these companies to give these RECs to them. Then IPC use/sell these RECs to other large utilities that also use fossil fuels. Undoubtedly "clean RECs" fetch a huge profit on the open market. However the fact remains that purchasing or owning an REC **DOES NOT make the air or water any cleaner. In fact, fossil fuels are to blame for a multitude of gross negligence consequences with unparalleled predicaments for the earth and all of its inhabitants.** Consider for a moment, China's air quality and its energy demands, it won't take you long to ask what's wrong with this picture? Renewable energy does not deteriorate the earth's climate, soil or water.

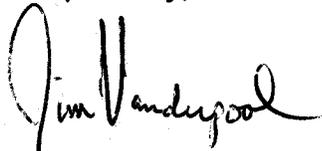
Interesting enough, on December 1, 2012 IPC petitioned the IPUC to recover the amounts spent in Custom Efficient projects for its largest energy users. Although according to IPC this program saved 68 million kWh in 2011, enough to serve the average needs of 5,400 residential customers. Nevertheless, IPC plans to pass 32% of the costs for that program onto all its residential customers thru the Power Cost Adjustment and Fixed Cost Adjustment over a period of four years. IPC claims its demand response programs are intended to reduce summer peak loads in order to minimize or delay the need to build new supply-side resources. They also claim their energy efficiency programs are designed to help customers reduce energy use year-round. They clearly realize that energy efficiency of homes and businesses also reduces power demand. Yet they intend to charge their net-metering customers for daring to produce green energy. They further claim they conduct annual analysis of each energy efficient program. I must point out those big-picture analyses are not verified by any disinterested outside auditing firm on a yearly bases. Furthermore, IPC has asked the IPUC to suspend two demand response programs (A/C Cool Credit and Irrigation Peak Rewards). They further claim those programs costs more to operate than it returns in reduced energy or capacity benefits, even though they have a large number of customer's utilizing these programs. Without disinterested third party actually auditing their analyses, it is like the fox guarding the hen house. Moreover, FERC mandated a distinct split between all of the countries utility's power producers from its marketers, because of the fox and the hen house scenario. In this author's opinion, IPC is a cost-motivated company. They want to take the customer's energy, pay them nothing, while they penalize both the net-metering green energy providers, in addition to those using the energy efficiency programs and then they have the nerve to ask the IPUC to pass all the costs onto the backs of all the unsuspecting consumers.

I am in complete agreement with The Idaho Statesman's February 10, 2013 article stating there needs be real changes in the Country's energy policy. The earth has limited energy resources, human demand for energy is increasing and access to energy resources dramatically affects the quality of life for everyone. Otherwise, in a few decades we could end up without those limited energy resources.

However, how many times must IPC's customers pay for the distribution lines? They claim the net-metering clients are not paying their fair share of those costs. Yet all of those distribution facilities are always paid for at the time they are constructed!!! Nonetheless those paying for the facilities don't own them because IPC insist on retaining ownership. According to IPC's employees, those facilities (when left undisturbed) can last 25-75 years!!! IPC further states that "the IPUC and even some developers agree that the way prices are set needs to change." Why? Net-metering customers are already paying their fair share and they contribute green power, of which IPC brags about being as a part of their mix. How many times and ways does IPC count the same devices again and again???

I therefore strongly object to IPC's jaded analysis and heavy-duty tactics, resulting in an unmistakable shocking yet predictable outcome, it is much cheaper for the net-metering customers to remain on IPC's grid, instead of producing green-energy power which benefits all of us. It is my opinion, IPC should pay for the much needed additional green power generated via solar, wind, hydro, bio-mass and geothermal energy methods. I hereby, respectfully request that IPUC deny IPC's petition to change the net metering agreement or grandfather the existing net-metering clients. In my opinion, IPUC should reflect upon IPC's motive and methods along with the dire consequences to the public in terms of jobs losses, higher utility rates, lost of business opportunities, reduced utility resources and the future of green energy within the State of Idaho.

Respectfully,



Jim Vanderpool
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