

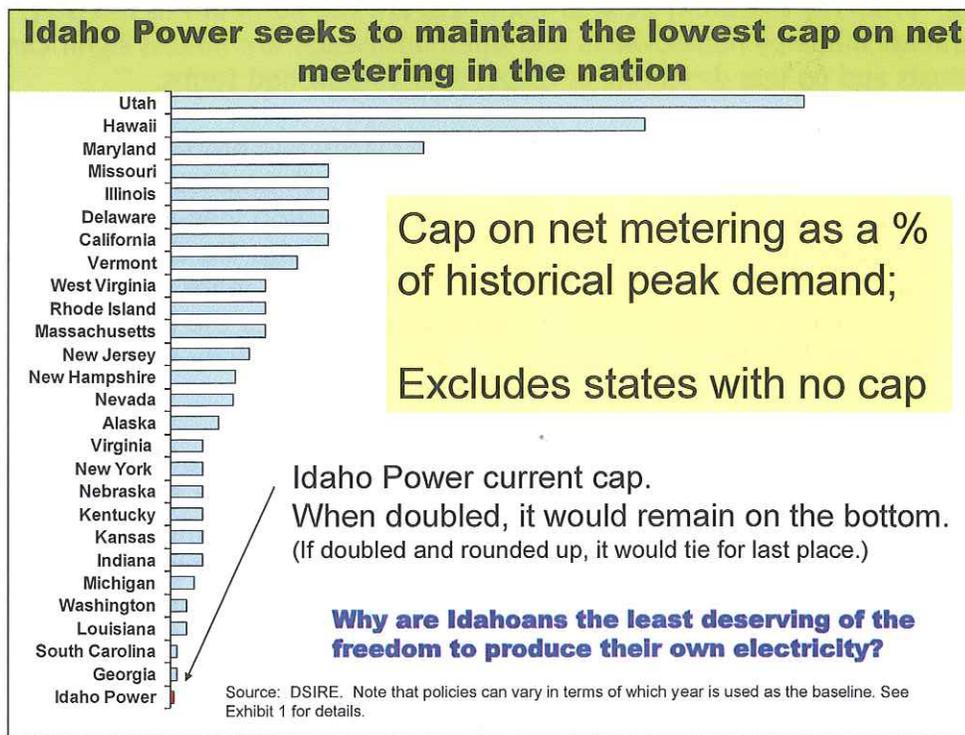
Comments to the PUC regarding Case # IPC-E-12-27

By Courtney White, February 27, 2013

Findings from a review of net metering policies nationwide

To better understand the context of this filing, I reviewed the 43 state net metering policies as well as investor owned utility net metering policies posted online by the U.S. Department of Energy on the site "Database for State Incentives for Renewables and Efficiency" (DSIRE). Specifically, I looked at the cap on net metering as a percent of historical peak demand.

To the best of my ability, I could find no other state policy or investor owned utility with a cap on net metering as low as what we have in Idaho.



As the chart above shows and the attached exhibit describes, we have the lowest cap in the nation. If our cap is doubled, we remain on the bottom.

The issue before the PUC is the degree to which a monopoly should have the power to limit free choice. I do not agree with Idaho Power's view that Idahoans should have less freedom than any one else in the nation to produce their own electricity. We have a culture of independence, self-sufficiency, and free choice. Further, our state is exceptionally well-suited for solar, which lowers the need to import electricity from other states. Idaho Power has not provided any evidence justifying why they are unique in needing to limit customers from choosing to produce their own electricity.

When I have asked Idaho Power why they want to keep the cap so low, the company explains it wants the low cap low in order to ensure it can continue reviewing and changing the rate

structure (in "3-4 years", according to recent comments). I am opposed to this strategy of frequent and arbitrarily timed overhauls of rates:

- First, I thought that rate increases were supposed to relate to cost increases. Rather than overhaul rates at arbitrary points in time, I would advocate that rate increases should be driven by costs increases.
- Secondly, I do not understand why a cap is necessary in order to review a rate structure. There are numerous net metering policies with no cap, and no other state sees this need to set a cap as low as ours. What is unique about our policies in Idaho that would require such a low cap in order to review rates?
- Thirdly, I do not agree with Idaho Power's belief that individuals have no right to stable pricing. From my research, 20-year contracts are the norm in this industry. The investments made by homeowners and small businesses are no less significant to those individuals and no less deserving of respect for established terms.

In the U.S., 43 states have adopted policies which clarify and protect the freedom of individuals to produce their own electricity. This approach enables the interests of all stakeholders to be represented as they cooperatively develop long-term solutions and submit them to vote. Idaho has no such policy, and to my knowledge the only stakeholder represented in developing this filing was Idaho Power. Thus, more so than other states, we in Idaho are exceptionally reliant on the PUC to give weight to the interests of individuals and to be vigilant in preserving our freedom to produce electricity without limits or penalties.

Idaho Power has proposed fee increases which cause great harm to the individuals targeted and the people employed in this field, yet the company itself sees this filing as a short term policy. It creates more problems than it solves - penalizing customers for the method by which they lower their usage, allowing the utility to sell customer-produced power it doesn't pay for, proposing a kWh produced in summer is worth 40% less than one consumed in fall, and numerous other issues. Idaho Power just didn't think it through.

I urge the PUC to protect Idahoans from this careless abuse of power.

**Exhibit 1a: State and Investor Owned Utility Policies –
Aggregate Capacity Limit for Net Metering**

Page 1 – Policies which do not limit net metering

Source: DSIRE

Arizona
Arkansas
Colorado
Connecticut
District of Columbia
Florida
Guam
Iowa
Maine
Minnesota
Montana
New Mexico
North Carolina
North Dakota
Ohio
Oklahoma
Oregon: Ashland
Oregon: PacifiCorp & PGE
Pennsylvania
Puerto Rico
Wisconsin
Wyoming

Exhibit 1b: State and Investor Owned Utility Policies – Aggregate Capacity Limit for Net Metering

Page 2 – Policies which limit net metering

	Cap as %	Description of net metering cap (Source: DSIRE)
Utah: Rocky Mountain Power	20.00%	20% of 2007 peak demand for Rocky Mountain Power
Hawaii	15.00%	15% per circuit distribution threshold for distributed generation penetration
Maryland	8.00%	1,500 MW (~8% of peak demand)
American Samoa	5.00%	5% of utility's peak demand
California	5.00%	5% of aggregate customer peak demand (statewide limit of 500 MW for fuel cells)
Delaware	5.00%	5% of Electric Supplier's aggregated customer monthly peak demand (utilities may increase limit)
Illinois	5.00%	New rules per SB 1652/HB 3036: 5% of utility's peak demand in previous year
Missouri	5.00%	5% of utility's single-hour peak load during previous year
Vermont	4.00%	4% of utility's 1996 peak demand or peak demand during most recent calendar year (whichever is greater).
Massachusetts	3.00%	3% of utility's peak load for private entities; 3% of utility's peak load for municipalities or governmental entities
Rhode Island	3.00%	3% of peak load (2 MW reserved for systems under 50 kW)
West Virginia	3.00%	3% of peak demand during the previous year
New Jersey	2.50%	No limit specified (BPU may limit to 2.5% of peak demand)
Nevada	2.00%	Statewide cap of 2% of total peak capacity of all utilities in the state
Alaska	1.50%	1.5% of average retail demand
Indiana	1.00%	1% of utility's most recent peak summer load
Kansas	1.00%	1% of utility's retail peak demand during previous year
Kentucky	1.00%	1% of utility's single-hour peak load during previous year
Nebraska	1.00%	1% of utility's average monthly peak demand
New York	1.00%	Generally 1% of utility's 2005 demand for solar, farm-based biogas, fuel cells, micro-hydroelectric, and residential micro-CHP; 3% (36 MW) for Central Hudson Gas and Electric
Virginia	1.00%	1% of utility's adjusted Virginia peak-load forecast for the previous year
Michigan	0.75%	0.75% of utility's peak load during previous year
Louisiana	0.50%	0.005
Washington	0.50%	0.5% of peak demand (this is new rate for 1/1/2014)
Georgia	0.20%	0.2% of utility's peak demand during previous year
South Carolina	0.20%	0.2% of utility's SC jurisdictional retail peak demand for previous calendar year
Idaho Power	0.10%	0.1% of utility's peak demand in 2000 (in Idaho) < As described by DSIRE
Idaho Power (comparable)	0.09%	To be comparable to South Carolina and Georgia, Idaho Power cap would be stated relative to previous year peak demand: 2.9MW / 3245 Peak Load in 2012

Notes:

- The percentages are provided as a general overview but are not precisely apples-to-apples, e.g. the base year may vary. Please read descriptions for clarity.
- Excludes: Municipalities & Co-ops; also excludes other utilities within Idaho, which follow a cap similar in percentage to Idaho Power.