

May 5, 2013

Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83702

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IDAHO PUBLIC
UTILITIES COMMISSION

Re: Net Metering Case No. IPC-E-12-27

To Whom It May Concern:

On behalf of my family and thousands of other citizens of the State of Idaho, I am writing to you regarding an issue that requires your attention and urgent intervention. Idaho Power is in the process of applying with the Idaho Public Utilities Commission (IPUC) to change the rules for the handling of its solar/wind power producing customers (i.e., Net Metering customers).

The changes requested by Idaho Power are:

- 1) Increase the current monthly service charge for Net Metering customers by 400%, from \$5.00 (the standard service charge for residential customers) to \$20.92; and from \$5.00 to \$22.49 for Small General Service customers.
- 2) Institute a "Basic Load Capacity" charge of \$1.48 per kw for Residential and \$1.37 per kw for Small General Service customers.
- 3) Cease all year-end payments to its Net Metering customers who have provided Idaho Power the excess energy they have not used by the end of the year, and
- 4) They want to re-organize Schedule 72 by changing the "Net Metering application process" and by adding "a section governing the treatment of unauthorized installations."

Permit me to address the above requested changes. Under items #1 and #2 above, Idaho Power claims that there is an inequity between Net Metering and standard service customers because "it allows Net Metering customers to unduly reduce cost recovery associated with non-generation-related components of revenue requirement." I am not a lawyer or an electrical engineer, but logic proves that this assertion is not totally true.

Every residential customer is charged a "Service Charge" (i.e., maintenance and non-generation fee) of \$5.00 per month for having Idaho Power connected to their house whether electricity goes through the line or not. If Net Metering customers generate more energy than they use in any month, the \$5.00 Service Charge is deducted from the credit that was produced. This means that a Net Metering customer is currently giving Idaho Power 69.1037 kw per month to pay for the Service Charge which the company turns around and sells to a non-solar residential or commercial customer. So the Net Metering customer is paying the same \$5.00 Service Charge per month that the non-solar residential customer is paying.

As a side note, Idaho Power stated on its website that it currently has 501,104 customers. This means it collects \$2,505,520.00 per month or \$30,066,240.00 per year minimum on its "Service Charge" alone. The Net Metering customers are paying their fair share of that revenue.

Adding insult to injury, Idaho Power not only wants to raise our Service Charge by 400%, but the \$20.92 would be exempt from being paid for by excess electricity generated by a Net Metering customer. This means that each Net Metering residential customer would have to come up with an additional \$251.04 each year out of their pockets. How are we going to pay for this blatantly unfair and discriminatory rate increase?

Most of the Net Metering customers are senior citizens, retired, and living on a fixed income. We have to closely budget our expenses and cannot afford any high increases in our monthly bills. I am retired, my wife is disabled and my youngest daughter who lives with us is disabled as well. Most, if not all, of the retired Net Metering customers took money from their savings or borrowed against their homes to pay for their solar generating systems.

We took this action with the expectation that our solar system would offset some of the expense of our electrical needs as we got older. It is a concept pushed by President Barack Obama and the Federal Government to make this country energy self-sufficient. The State of Idaho and the Federal Government promote solar power. Yet now, Idaho Power is trying to push policies which will kill the solar/wind power production in this state.

The 400% increase in our monthly Service Charge is nothing compared to their request to "institute a Basic Load Capacity charge of \$1.48 per kw for residential and \$1.37 per kw for Small General Service" customers. Under this policy, Idaho Power would need to know how much electricity each Net Metering customer uses in their home each month. This is an invasion of privacy. The energy we generate and use in our homes does not in any possible way go out to Idaho Power's electrical grid. It does not affect the maintenance and up-keep of their equipment. Therefore, Idaho Power should not be allowed to track what we produce and use, then charge us for that amount.

Additionally, under the current system, the meter currently on our homes only tells them how much power we buy from them (when we are using more than we produce), and how much energy we give back to them over and above what we use in any one month. They would have to install a second meter on our homes (which they would charge us for) to record how much we totally use in any one month. For the second meter to collect total power usage, they would also have to change parts of their collection and distribution system that feed and collect energy from our homes. This cost would be charged to us. It could run in the tens of thousands of dollars, depending on what changes they would need to make to their system. This information comes from a retired Idaho Power employee who currently is a Net Metering customer. I can provide you with her name and phone number if requested.

Let us say for the sake of argument that they find that my Basic Load Capacity is 25 kw per day. This means that I would be charged an additional \$37.00 per month (1.48 x 25 kw). How in the world do either of the 1st and 2nd policy changes requested by Idaho Power promote solar

production in Idaho? These policies are bad for Idaho, bad for the environment, and contrary to national interest. If approved by the IPUC, these changes would kill the solar industry in Idaho.

I have spoken to other Net Metering customers and they have told me that they cannot afford these additional costs and would be forced to take their systems off-line and dismantle them for sale out of state. I took out a \$60,000 loan on my house to put in my system. Idaho Power did not pay for any part of it. If it breaks down or wears out, I have to pay to fix it. Idaho Power does not and will not help me maintain or repair it. In March of this year, for the first time in the last five months, I produced more kilowatts than I used. After Idaho Power deducted the \$5.00 Service Charge, I received only \$3.27 in credit. Even under the current system, Idaho Power gains more from us than we do from them. Every kilowatt I produce and use, means one less kilowatt they have to spend money producing. During the peak summer and winter load months (July and December) our production means fewer kilowatts that they have to buy from out of state producers at a much higher cost to them. They take none of these facts into consideration in the current proposals they are trying to push through the IPUC.

If these changes actually go into effect, the ability of a Net Metering customer to sell their home will be severely affected. What is now a positive selling point will become a huge negative.

Idaho Power is supposed to be following the rules set forth under the Federal Energy Regulatory Commission (FERC). They were doing just that until they found they could make a greater profit by interpreting F.E.R.C.'s regulations in a manner more favorable to them. The serious nature of the changes has caused the Idaho Conservation League, PowerWorks, L.L.C., Pioneer Power, L.L.C., the City of Boise, the Snake River Alliance, and the Idaho Clean Energy Association, Inc. to intervene in the case. They have all retained legal counsel, but the ordinary residential Net Metering customer cannot afford to hire an attorney. Again, we are left out in the cold with nowhere to go.

Your help is desperately needed now to speak on behalf of those of us whose voices will be ignored, if heard at all. We voted for you when you asked for our support. Please help us. Make our voices heard by the I.P.U.C.

Sincerely,

Robert T. Bellew

Robert T. Bellew

Cc: Senator Michael Crapo
Senator James Risch
Congressman Michael Simpson
Congressman Raul Labrador
Nathan J. Davis – Federal Energy Regulatory Commission