



Case No. IPC-E-16-11, Order No. 33530

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www.puc.idaho.gov

Proposed integration costs to solar developers would decrease significantly with updated study

BOISE (June 6, 2016) – The Idaho Public Utilities Commission is taking comment through June 30 on an Idaho Power Company application to considerably reduce the costs solar developers would pay to integrate their generation into Idaho Power’s transmission and distribution grid.

Electric utilities incur costs based on the amount of solar generation added and on the other non-solar resources needed to provide back-up generation if solar output is less than anticipated.

In February 2015, the commission approved a settlement that adopted solar integration costs developers pay based on a 2014 study completed by Idaho Power. Because parties to the settlement did not agree on the cost, part of the settlement was that Idaho Power would conduct a second study using a Technical Review Committee comprised of staff from the Idaho and Oregon public utility commissions, Idaho Power, and a technical expert designated by each of the parties to the settlement, which also included the Sierra Club, Idaho Conservation League and the Snake River Alliance.

In early May, Idaho Power said it had 320 megawatts of solar generation under contract to be online by the end of this year. Since then, one of those projects, the 20-MW Pocatello Solar I project, has been terminated.

The newer study proposes a tariff for each 100 MW of solar generation up to 1600 MW.

At a total solar penetration of between 301 and 400 MW, the integration charge to solar developers would be 54 cents per megawatt-hour for a non-levelized contract signed this year. That compares to \$2.63 per MWh using the 2014 study. Between 401 and 500 MW of penetration, the new charge would be 71 cents per MWh compared to the 2014 charge of \$3.31.

A copy of the company's proposal along with the updated solar integration study and accompanying charges is available on the commission's website at www.puc.idaho.gov. Click on "Open Cases" under the "Electric" heading and scroll down to Case No. IPC-E-16-11.

To comment, click on "Case Comment Form" under the "Consumers" heading. Enter the above case number and enter your comments. Comments can also be mailed to the Idaho Public Utilities Commission, P.O. Box 83720, Boise, ID, 83720-0074.

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