

Diane Holt

From: Diane Holt
Sent: Wednesday, August 16, 2017 11:05 AM
To: Diane Holt
Subject: Comments on Idaho Power Case # IPC-E-17-13

Case # IPC-E-17-13
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My comments below:

I respectfully request a public hearing for the PUC commissioners to hear comments from the public. My comments are as follows.

General comments:

This request by Idaho Power is unnecessary, ill-advised and punitive toward all customers who, using their own invested funds, have or will invest in customer owned electrical generation, most commonly, solar panels. Idaho power asks you to require customers to upgrade at an unknown cost for unspecified and questionable reasons. They indicate there will be no pricing changes at this time. One must question why not. If the need for a new and separate group actually exists, then it is irresponsible of the company not to request such. If Idaho Power actually suggests that this class is needed to determine the need then that suggestion is fraudulent. It is called, data analysis. They already know what customers are classified, it is simply a matter of analyzing the data.

If Idaho power does not have the capability to analyze the data then I would suggest they do have the expertise to remain a government supported monopoly and the energy grid should be de-regulated to encourage open competition which is the best way to keep rates low. One would think in such a conservative state as Idaho that would be the default mode for electric utilities. This case only emphasizes more reasons why deregulation is the best way to proceed.

Finally, given the fact that this case is so unnecessary and transparent, the commission should insist that Idaho Power accumulate the detail behind this rate case and submit the cost detail for preparation and argument of this case so that those costs can be born only by the stock holders and be dis-allowed from being reimbursed by Idaho power customers.

Idaho Power asks the commission to force an unknown and future burden to R&SGS customers for a vague benefit and an unknown cost in a very short time frame, 60 days. This should be denied. There is adequate time when engineering standards change to evaluate the impact of existing equipment and it is unreasonable and even unwise to force such a requirement on customers who have invested substantial costs into equipment only to find themselves potentially unable to even find equipment which may comply with yet to be determined requirement which may or may not be necessary or even beneficial for the grid, or other customers. The short timeline (60) days would most certainly impose an unnecessary cost on all of the R&SGC customers given it likely takes some time for hardware to catch up with engineering standards industry wide and would thus have a tendency to reduce competition which would increase the costs to retrofit older equipment, let alone the cost of new equipment. This is simply another means for Idaho Power to attempt to kill the expansion of solar installations for unknown reasons.

Page 4 Section 4

Net metering customers are only credited in KWhrs in the billing cycle when they are put back into the grid. Idaho Power also bills their neighbors for those kwhs received from the net-metering customers simultaneously and during the same billing period. If and when net-metering customers use all of their kWh credit at some future date, they receive no interest on the kWh loan they have provided to Idaho Power who has already sold and collected the money for the loan Idaho Power received from the net-metering customer. Idaho Power has already being over-compensated because there was no power generation investment, power transmission nor virtually any distribution costs involved in taking Solar Power from one customer and delivering it to their neighbor a few feet away from the solar customer. Idaho Power should be required to pay a fair rate of interest on any kWh credit a net metering customer carries over.

Page 5 Section 7

If the existing rate structure creates inequity between net metering customers and standard service customers then it also creates an inequity between customers that install new efficient appliances (like an air conditioner or heat pump) and standard service customers (SSCs). Idaho Power's so called "wealth transfer" from the poor to the rich happens whenever a "higher income" customer upgrades heating/cooling, lighting, or other appliances with a more efficient model. The only time this so called "wealth transfer" doesn't happen is when a "higher income" customer buys an electric vehicle that will increase his/her household electricity usage. How does Idaho Power plan to eliminate these other so called "wealth transfers" to be "fair"?

I personally know many Idaho Power net metering customers and I do not consider any to be "higher income customers". All of the net metering customers I know have incomes far less than the average salary of Idaho Power employees, even without considering the extravagant bonuses paid to Idaho Power employees and the most extensive benefits package anywhere in the region.

Is Idaho Power trying to start a class war by this filing? To be "fair", should customers pay based on their energy usage or their ability to pay? Will customers have to provide tax returns and bank statements before they are given service?

Yes, there is a "wealth transfer" going on here. It is from all the customers to Idaho Power's Officers, Board of Directors, Employees, and shareholders, all of which are compensated beyond any rational yard stick for this area.

Page 6 Section 9

By what method is Idaho Power using to project future net metering customers? Based on past projections of all sorts of different items, they have likely inflated these numbers to benefit their case.

Page 8 Section 13

It is true that the two-way flow of energy is unique and fundamentally different than a non-net metering customer. In the case of small hydro the power could be generated 24 hours a day and the value of that electricity would change during that time period. Wind power could be generated at different times throughout the day. Solar power will only be generated during the day time and in many cases during peak power time. The value of each of these net metering outputs is different based on what time of day and what time of the year they are generated. Idaho power should compensate the producers for the increased value of the power based on the time of delivery.

Page 8 Section 14

The load shape of residential net metering (RNM) compared with residential standard service (RSS) shows the benefit of generation during peak time. It also shows an increase of use in the evening and early morning. This is likely due to the charging of plug-in vehicle. Many RNM customers own or lease plug-in vehicles. Idaho Power can and should incentivize plug-in vehicle owners to plug in whenever it will benefit the electrical grid and all customers.

Page 9 Section 15

This section would ask the commission to believe that the Idaho Power's Data analysis is so weak that it cannot analyze the different kinds of customers without having a different customer class. Again, if Idaho Power's data analysis abilities are so weak then the commission should immediately de-regulate the electrical utilities in Idaho to allow companies with more robust data facilities to compete. That would quickly eliminate this issue.

If Idaho Power can analyze the data then they should do so, and present that quantitative analysis as reasoned proof of what they profess. In that manner, the public and the commission could properly consider the case and make an informed and proper decision about such, rather than this thinly veiled attempt to put unreasonable and unwise overhead on customers for "doing the right thing".

The reality of this request is fairly delineated in the sentence, "This is the first step". I believe the first step is to actually analyze the data and present as the reason to make changes, not hiding the actual intent of the application, and this alone should be reason enough to deny this application.

If new customer classes are installed for customers with on-site generation to provide data, all types of generation must be assigned a different class in order for the data to be meaningful and "fair". That would necessitate a class for hydro, biomass, fuel cells, geothermal, wind, and solar. The value of all of these types of generation varies greatly.

To be "fair" time of use metering or better yet real time metering can be used to charge all customers based on the cost of generation at the time of use.

Does this also mean in "fairness" there should be rural and urban rate designs? The grid operation and maintenance costs are much less in urban areas than rural areas. Is there "wealth transfer" going on currently between the urban customer to the rural customers? How should this be addressed, in fairness?

Page 12 Section 21

We are currently, and even in Idaho Power's future growth estimate nowhere near a "high penetration" of net metering customers or their nameplate capacity thus this argument is ridiculous and non-sensical.

Page 13 Section 21

The timeline on this section, (60 days), would potentially place an unreasonable and unnecessary burden on individual producers. Each upgrade of the IEEE change should be handled on an individual bases and not be provided as an open invitation for Idaho power to unreasonably penalize small producer customers.

Proposed New Schedule 6

Any credits that are given back to Idaho Power should be used to reduce the rates of all customers. They should not be retained by the company to further engorge their profits. An example would be when a net-metering customer moves to another state.

Point #6-

It is not currently technically possible for a small generation net metering customer to curtail production. This paragraph should be removed.

David Angell Testimony

Page 8- Line 17-24

It is true that most on-grid inverters will not function without the grid present. This is by design to protect utility workers from possible electrocution. The inverters will not feed power into the grid when the grid is down. This does not in anyway show the grid supplies any benefit to customer generator systems, but the inverse.

Page 9-

It is misleading to state that most inverters are not sized big enough to run air conditioners, pumps, and household motors without being connected to the grid. Most modern inverters have the reactive energy to start these devices. I have run a whole house heat pump year round with a 4 kW inverter without being connected to Idaho Power's grid. This testimony, again shows improper and incorrect information supplied improperly to the commission to boost Idaho Power's case.

Page 12-

The graph shows the contribution the net metering customer makes to power his/her neighbor during the middle of the day which is a benefit supplied to Idaho Power and is uncompensated to the net metering customer. The net metering customer should be compensated for providing so much peak energy.

Page 13-

The graph shows the contribution the net metering customer makes to power his/her neighbor during the middle of the day. Idaho power would profess that the use of the distribution system by net-metering customers during the day is a benefit to the net-metering customer, the opposite is true, it is a benefit to Idaho Power, and their customer during the highest peak. Net metering customers should be compensated for supplying that need high

cost area. Net metering customers are being cheated out of the true value of the power supplied to Idaho Power customers.

The smart meter testimony sounds like Idaho Power wants net metering customers' equipment to solve the low voltage problem they have had with the grid for years at the expensive of the net metering customers. Idaho Power should pay the additional cost for a "smart inverter" to fix their low voltage problem if that is the solution they seek. Having farmed in Owyhee county for years it was a very very common occurrence for pumps to be reset during peak power times. The pump would turn off and likely not be reset till much later in the day. This has been a known practice for many many years. It is unlikely those resets were accidental. Idaho power should be compensating net metering customers for helping this dirty power problem.

Connie Aschenbrenner Testimony

Page 16-

If there are 1,468 current and pending net metering customers, why was only 830 invitations for the workshop were sent out?

Page 30-

Figure 4 is a good example of the benefit of solar net metering customers. They act as demand side management during most of the peak hours in the afternoon reducing the amount of time expensive gas peaker plants are utilized. In most cases Idaho Power pays customers for demand side management. Net meter customers should be compensated for that assistance with demand side management.

Page 30-31

The vacation home example doesn't hold water. Both the vacation home and the net metering home are hooked up to the grid. The wires and distribution system must be maintained regardless of usage. The power poles and wires don't degrade at a different rate depending on the electrons used. Further, much of Idaho Power's case relies on the supposed, yet unsupported, issue surrounding unpredictable usage of the grid. Nothing could be less predictable than the power usage of a vacation home. This just further illustrates the irrational and unreasonable position of Idaho Power against net metering customers.

Page 31-

In the case of energy efficiency as compared with net metering solar customers. The solar net metering customer production falls mostly during peak power time saving Idaho Power more money than energy efficiency that falls throughout the day. This peak generation provides Idaho Power much more value than the net metering customer is reimbursed, and is not a burden on the system, but a benefit to the system. The power which is supplied through distributed generation reduces the load on almost all of the distribution system and all of the transmission system. The net metering customer is not now, but should be compensated for that benefit. The actual situation is exactly the opposite of what Ms. Aschenbrenne tries to promote here.

Page 35-

Idaho Power already profits enough from net metering customers. They have received an interest free kWh loan from the net metering customer in which they sell to another customer, billing and making a profit instantly. This loan may or may not have to be repaid in the future. If repaid there will be no interest. For solar net metering customers, they give a loan of peak power in the summer season (expensive generation for Idaho Power) and if they pay that loan back it is normally paid back with non-peak power in the winter season (inexpensive generation for them). It is hard to understand why they want to collect even more profit from these renewable generators. In addition, if Idaho Power would embrace distributed net-metering customers rather

than try to eliminate it most certainly would substantially reduce the need for expanded transmission and distribution upgrades as the power produced is used very close to the generation. Net metering customers are not being compensated for this situation currently, but should be in the futuer.

Page 36-

Regarding the customer comment about his/her \$5.27. How much did the customer pay for the system? How much did this system save Idaho Power from building new generation, new transmission, transmission upgrades, and distribution upgrades? Idaho Power's vision is very short sited indeed and is targeted to push costs and company investment as high as possible which ultimately results in higher rates. This is exactly the opposite of what is desired by Idaho Power customers, and the duty of the Idaho Public Utilities Commission.

Slide show- Shows 526,000 customers and only 1,468 current and pending net metering customers. The net metering customers are a small fraction of the total customers. Future growth is not guaranteed. Why are customers wanting to net meter? It is not a purely economic decision. If it were, nobody would do it. It is mostly based on wanting to receive 100% renewable power, which Idaho Power doesn't offer. Net metering would be a non-issue if electric utilities were deregulated in Idaho. Then customers could elect for 100% renewable generation through the utility company of their choice. A good example of how it works in another conservative state would be Texas that has literally hundreds of plans a customer can choose from. It appears to be time to start discussing deregulation in Idaho.

Timothy Tatum Testimony

Page 15-

A case cannot be made without real customer data (including income and wealth of all customers) that the lower income customers are transferring wealth to the higher income customer. It may actually true that the lower income customers are installing solar panels and because of that they may be transferring wealth to the higher income customers that do not choose to install solar panels. The investments net metering customers make could be saving all of customers' money. They should be compensated for this.

If Idaho Power is truly concerned that lower income can't have solar on their homes they should start a program for the lower income customers to received a reduced rate loan that will be paid off as part of their electric bill.

Page 25-

States that the payback period for a net metering solar system is 15 years. This proves the point customers are not electing to do this for economic reasons but likely for reasons relating to reducing their personal contribution to global green house gases because Idaho Power refuses to give them the 100% renewable power which they demand.

Exhibit 3

Page 2-

Does shows solar's growth. What was missing from Timothy Tatum's Testimony was that the majority of the growth is from utility solar projects. It is likely customer's would not install solar on their roofs if Idaho Power delivered solar power to their houses.

Page 4-

Confirms it is most expensive for net metering customers to have solar installed themselves but they have few other options living in Idaho Power's service area.

Page 5-

Shows Idaho is not even in the top 10 states for installed solar even though Idaho has excellent potential for generation.

Page 7-

Future growth is estimated to come mostly from utility scale solar projects not residential installations.

Exhibit 5

Obviously this article was written for the purpose of electrical utilities being able to unreasonably harm net metering customers. It even includes an estimate for Idaho Power. It lists no references of where this number came from or how it was figured. This is not a peer review article and should not be allowed as part of the testimony.

The article does not address the Idaho Power current model for crediting surplus generation by the kWh but by the retail rate per kWh. This is not comparing apples to apples.

The article does point out, "This time-of-use differentiation would provide rooftop solar owners with a fairer compensation for their contribution to the system needs. Unfortunately, such distinctions are almost never made in the prevailing net metering pricing schemes."

Exhibit 6-

A big question that did not seem to be addressed is what will happen to the commercial net metering customers, if anything. They are currently using Schedule 84 up to 100 kw of nameplate generation? Will Schedule 84 still be used by them?

Thank you for the opportunity to comment.!