



Case No. IPC-E-17-13

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Technical hearing, comment deadline set for Idaho Power proposal to overhaul net metering program

BOISE (Oct. 25, 2017) – State regulators are accepting comments on Idaho Power’s proposal to overhaul its treatment of customers with on-site generation systems such as rooftop solar.

Idaho Power customers who generate their own electricity are currently included in the same rate class as traditional electric customers yet participate in the company’s net metering program.

“Net metering” refers to the fact that those customers are charged for the “net” amount of energy they use each month, since their consumption can be offset or eliminated by sending energy onto Idaho Power’s system.

As a result, Idaho Power contends, this growing segment of customers does not pay its fair share for the operation and maintenance of the company’s electric distribution system. This shifts the financial burden of maintaining and running that system onto Idaho Power’s traditional customers, creating a “wealth transfer from lower-income customers to higher-income customers,” the company’s filing states.

“From a consumer protection perspective, the Company does not believe it is fair for its customers without the financial ability or desire to install solar to subsidize those who do,” Idaho Power’s proposal said.

The company’s proposed solution is to separate net metering customers into two distinct customer classes, Residential and Small General Service. The company said this would allow it to better understand those customers’ impact on the distribution system.

The proposal applies to customers with on-site generation who sign up for new service on or after Jan. 1, 2018; existing net metering customers would “transition over some period of years” to one of the proposed new customer classes.

Idaho Power's plan would not immediately affect rates, though the utility has requested Commission approval to develop a rate structure that more accurately reflects the costs imposed by its net metering customers, as well as the and benefits they provide.

Idaho Power's proposal also would require new net metering customers to install smart inverters shortly after an industry standard is established, a move the company said would address its concerns related to the stability and reliability of the distribution system related to an increase in on-site generation systems.

Idaho Power launched its net metering program in 1983.

At the end of June 2017, the utility said it had 1,468 active and pending net metering customers with an aggregate nameplate capacity of 11 megawatts. The utility expects the number of net metering customers to exceed 7,000 by 2021.

Without changes to the program, Idaho Power contends, the shifting of costs to traditional customers will continue to grow along with the number of net metering customers. Updating the program as proposed will ensure that customers have access to a "fair-priced, scalable and sustainable" service offering in the future, Idaho Power said.

"The most appropriate time for the Commission to begin to address cost shifting caused by the combination of net metering and current rate design is now, before (on-site generation) penetration reaches higher levels," the utility said.

A technical hearing on the proposal is set for March 8 at 9:30 am in the Commission's Hearing Room, 472 W. Washington St. in Boise. The hearing will continue March 9 if necessary.

The Commission is accepting written comments on the proposal until the conclusion of the technical hearing. To comment, visit www.puc.idaho.gov. Under the "Consumers" heading, click on "Case Comment Form," and include the case number, IPC-E-17-13. Or go [here](#).

The company's application and other case-related documents are available for review on the Commission's website, www.puc.idaho.gov. Under "Open Cases", select "Electric" and scroll down to Case No. IPC-E-17-13. Or go [here](#).