

Idaho Climate Think Tank

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Honorable Paul Kjellander
Honorable Marsha Smith
Honorable Mack Redford
Idaho Public Utilities Commission
472 West Washington Street
Boise, Idaho 83702

February 27, 2015

RE: IPC-E-15-O1

Dear Commissioners,

I write as the director of Idaho Climate Think Tank, a small organization, based in Boise, with the mission of educating Idahoans about the local impacts of climate change; and of advocating for reachable solutions to carbon pollution. I am also an Idaho Power customer.

Idaho Power's request to reduce PURPA contract lengths to two years is an attempt to solve a real problem: Integrating an additional (proposed) 885 mW of solar into their grid, but it is misguided and reinforces Idaho's already unsustainable levels of carbon emissions.

In this discussion of renewable energy development, it is important to remember that in Idaho Statute 61-515, the Public Utilities Commission is granted the power to "require every public utility to maintain and operate its line, plant, system, equipment, apparatus and premises in such manner as to **promote and safeguard the health and safety of its employees, customers and the public**".

Were carbon a harmless substance, I would say that the PUC should side with Idaho Power to simply temper an influx of intermittent resources. But this is not the case. Every pound of carbon emitted today will cost Idaho Power's customers more and more over time – in terms of health, safety, and dollars – because carbon pollution is expensive. In order to *promote and safeguard the health and safety* of the Idaho public, the Commission needs to do everything that it can to reduce carbon emissions from Idaho utilities since carbon emissions are a proven, *significant* health and safety risk. Allowing Idaho Power to effectively end new PURPA applications for utility-scale renewable energy, thereby halting clean energy development in Idaho, puts the health and safety of Idahoans at risk.

Here are some important points about the costs of (carbon-driven) climate change, both in raw economic terms (which has health and safety implications) and in pure health and safety terms:

- Boise State University and Oregon State University scientists "project substantial losses (up to 32%) of the average crop revenue for major agricultural areas under future climate scenarios in Idaho". Their paper, published in December 2014, can be seen at this url: <http://onlinelibrary.wiley.com/enhanced/doi/10.1002/2013WR014696/>.

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- The EPA estimates that every metric ton of carbon emitted today costs society between \$12 and \$116. Using the most conservative EPA estimate of the social cost of carbon, Idaho Power's carbon output in 2013 (about 17 million mWh at 1,014 lbs. of carbon per mWh) of about 7.8 million metric tons, amounts to \$93.6 million in damages. See this link: <http://www.epa.gov/climatechange/EPAactivities/economics/scc.html>
- The Natural Resources Defense Council studied just the *health* costs of climate change-driven events between 2002 and 2009 and found that these added up to \$14.1 billion dollars. \$578 million of this was related to wildfire, much of which took place in Idaho.

When it comes to "need", and considering a surplus of energy, Idaho Power's assumption is that PURPA energy represents excess energy, but this is not necessarily the case. What is "too much" needs to be considered vis-a-vis what is more valuable: non-polluting energy or polluting energy. In times of energy surplus, and with public health and safety risks in consideration, the excess power in this situation is Idaho Power's coal-generated energy, not the power generated by PURPA wind or solar projects.

Of course, the problem remains: How can Idaho Power integrate large amounts of solar energy? The answers to this are complex, but the onus must be placed on Idaho Power to do it, just as other utilities across the country are integrating solar and wind at the scale being proposed here.

The price of grid battery storage is dropping fast: Idaho Power has the resources, and the support of the public, to invest in a new generation of grid storage devices to displace the peak output of solar and the intermittency of wind. Respecting the integration of renewables, Avista's Don Kopczynski said in July 2014, "We believe that battery storage could be the missing piece in this puzzle." Idaho Power, too, needs to put this puzzle on the table and start working on it. A decision rejecting IPC's application would inspire them to do just that.

In order to adhere to its legal mandate to *promote and safeguard the health and safety of utilities' employees, customers and the public*, the Commission should rule against Idaho Power's application. A compromise, keeping PURPA development viable in Idaho, and yet recognizing Idaho Power's conundrum, would be to set PURPA contracts at no less than 15 years.

Sincerely,



Michael H. Richardson
Director, Idaho Climate Think Tank