

Oregon Public Utility Commission 201 High Street SE, Suite 100 Salem, OR 97301-3398

April 22, 2024

RE: ADV 1600

Dear Commissioners,

I'm writing on behalf of over 5,000 Idaho Power customers who are Sierra Club supporters to advocate for *fair rates* for locally-owned rooftop solar systems in Idaho and Oregon, which must be based on *fair calculations* to determine those rates. Idaho Power's rooftop solar export credit rate (ECR) calculations are flawed and biased, and should be rejected by the Oregon PUC.

Idaho Power's calculations are biased, need independent review.

- Idaho Power, like electric utilities across the nation, has been actively trying to suppress customer-owned rooftop solar installations for over a decade, since customer-owned energy doesn't yield as much profit as utility-owned energy and requires the utility to manage its grid in some different ways.
- Idaho Power tried to reduce solar ECRs in Idaho from the previous 8.8 ¢/kWh to nearly 2 ¢/kWh in 2019, which would discourage customer solar ownership. It's now earned an average ECR of 5.96 ¢/kWh in Idaho, with the ability to decrease the ECR every year moving forward.
- The same ECR calculations conducted by one independent third party <u>found</u> that the value of rooftop solar power was actually closer to \$18.3 ¢/kWh, and another <u>found</u> the value to be 10.04 ¢/kWh, both significantly higher than Idaho Power's.
- Idaho Power's calculations are not "fair & credible" as required by the Idaho PUC—they're clearly skewed toward its own corporate interests and should be replaced or heavily supplemented with external independent analyses.

Idaho Power's calculations are incomplete, need environmental benefits.

- Idaho Power neglected to include any environmental benefits in its calculations, claiming that they are irrelevant, non-quantifiable, and don't affect rates.
- More solar energy helps reduce carbon emissions, which helps curb climate change and the range of costs associated with it (especially in Oregon, with statewide GHG reduction goals), including on utility rates.
- Yet, the company then decided to exclude environmental benefits from its final study framework, in an effort to clearly keep the ECR as low as possible.
- These benefits are real, quantifiable, impact rates, and should be included in the calculations.



Idaho Power's calculations are inaccessible, need public input.

- Idaho Power is using these calculations to justify replacing its Net Metering program with a much lower ECR-based Net Billing system.
- This will make customer-owned solar less affordable and create undue financial barriers for Idaho Power
 customers who wish to exercise their right to install a solar array to help meet their energy
 needs—including homes, businesses, farms, schools, and even municipalities, particularly in low-income
 communities.
- All customers will be deeply impacted by these rate changes, particularly customers who have only recently installed solar arrays and customers who wish to install solar in the future, including our youth.
- Idaho Power's calculations are not easily accessible to the average customer, and its public education and engagement with key stakeholders have not been adequate.
- Back in 2019, the Idaho PUC decided to reject Idaho Power's proposal to reduce solar compensation rates
 due to public outcry, lack of sufficient evidence, and inadequate stakeholder engagement, which are all
 surfacing in this case, as well.
- The Oregon PUC should similarly prioritize customer impacts, concerns, and accessibility in its decision on whether to approve Idaho Power's new rooftop solar rates.

Please reject Idaho Power's proposal and require a more impartial, complete, and accessible ECR analysis consistent with Oregon state policies and the concerns raised in this case.

Additionally, if changes are to be made to Idaho Power's rooftop solar program in Oregon, the changes should apply to new systems *after* the date of the PUC Order, and legacy customers should be able to make changes to their systems and retain legacy rates through the duration of the legacy period.

Since Idaho Power's rooftop solar rate changes were implemented on Jan 1, 2024 in Idaho, we have seen power bills for non-legacy solar customers in Idaho sharply increase. Those customers have been left feeling helpless to pay back these large investments in a reasonable timeframe, especially since the rates will now shift to unknown values every year. The new "real-time" Net Billing structure has made it particularly challenging for solar customers to evaluate their energy costs and optimal usage and export patterns, making rooftop solar even less accessible to the average customer. Rooftop solar adoption is sure to be deeply impacted by these changes, as we've seen in other places where similar changes have been made. Please don't allow Oregon customers and communities to fall victim to these changes that favor utility interests over the public good.

Our members want to see more solar panels in their communities to help address the climate crisis, improve public health, advance our clean energy economy, create green jobs, build local grid resilience, and stabilize energy bills. Please don't let Idaho Power quash locally-owned solar and push these critical opportunities out of reach for Oregon communities at a time when we need them the most.

Sincerely,

Lisa Young

Director, Idaho Chapter Sierra Club