

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S APPLICATION FOR ITS) CASE NO. IPC-E-25-15
FIRST ANNUAL UPDATE TO THE)
EXPORT CREDIT RATE FOR NON-)
LEGACY ON-SITE GENERATION)
CUSTOMERS FROM JUNE 1, 2025)
THROUGH MAY 31, 2026, IN)
COMPLIANCE WITH ORDER NO. 36048.)

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

MARY ALICE J. TAYLOR

1 Q. Please state your name and business address.

2 A. My name is Mary Alice J. Taylor. My business
3 address is 1221 West Idaho Street, Boise, Idaho 83702.

4 Q. By whom are you employed and in what
5 capacity?

6 A. I am employed by Idaho Power Company ("Idaho
7 Power" or "Company") as a Regulatory Analyst in the
8 Regulatory Affairs Department.

9 Q. Please describe your educational background.

10 A. In 2020 I received Bachelor of Science
11 degrees in Political Science and Economics from the
12 University of Idaho in Moscow, Idaho. In 2023 I received a
13 Master of Public Administration degree and a Graduate
14 Certificate in Policy Research from Boise State University
15 in Boise, Idaho. I have also attended "The Basics:
16 Practical Regulatory Training for the Electric Industry,"
17 an electric utility ratemaking course offered through the
18 New Mexico State University's Center for Public Utilities.

19 Q. Please describe your work experience with
20 Idaho Power.

21 A. In 2023 I was hired as a Regulatory Analyst
22 in the Company's Regulatory Affairs Department. My Primary
23 responsibilities include providing regulatory support for
24 the Company's Demand-Side Management activities. I also
25 provide regulatory support for filings associated with

1 valuing distributed generation.

2 Q. What is the purpose of your testimony?

3 A. The purpose of my testimony is to provide
4 relevant background information related to the Company's
5 request to update its Export Credit Rate ("ECR") in
6 compliance with Order No. 36048 and to present the
7 Company's request to modify its reporting requirements
8 related to its annual Distributed Energy Resources ("DER")
9 Report ("DER Status Report"¹).

10 Q. What is the Company requesting in this case?

11 A. The Company is requesting that the Idaho
12 Public Utilities Commission ("Commission") find that the
13 Company has complied with Order No. 36048 and issue an
14 order approving its proposed ECR, as more fully described
15 in the testimony of Mr. Jared L. Ellsworth. Additionally,
16 the Company is submitting its annual DER Status Report
17 concurrently with this filing and intends to follow this
18 approach moving forward unless the Commission advises it
19 prefers a different procedural approach.

20 Q. What are the ECR values proposed by the
21 Company in this case?

22 A. Pursuant to Order No. 36048, the Company has
23 reviewed and updated all value components of the ECR,
24 except the season and on- and off-peak hours, which the

¹ Previously referred to as the "Net Metering Report."

1 Commission directed only be updated in a separate docket or
 2 in a General Rate Case filing as appropriate. As a result,
 3 the Company proposes to implement the following updated ECR
 4 values per kilowatt-hour ("kWh") of exported energy for
 5 June 1, 2025, through May 31, 2026: 14.0598¢ for summer on-
 6 peak, 1.7682¢ for summer off-peak, and 0.9540¢ for all
 7 hours during the non-summer season. A Summary of the
 8 proposed updated values for each of the ECR components is
 9 set forth in Figure 1.

10 **Figure 1: Proposed ECR values**

ECR SUMMARY		
	<u>Season</u>	<u>ECR</u>
Export Profile		
Volume (kWh per kW)	Annual	1,362
Capacity Contribution (%)	Annual	10.07%
Export Credit Rate by Component (cents/kWh)		
Energy	Summer	1.7682 ¢
<i>Including integration and losses</i>	Non-Summer	0.9540 ¢
	<i>Annual*</i>	<i>1.2852 ¢</i>
Generation Capacity	On-Peak	11.9017 ¢
	Off-Peak	0.0000 ¢
	<i>Annual*</i>	<i>1.1360 ¢</i>
Transmission & Distribution Capacity	On-Peak	0.3899 ¢
	Off-Peak	0.0000 ¢
	<i>Annual*</i>	<i>0.0372 ¢</i>
Total	Summer On-Peak	14.0598 ¢
	Summer Off-Peak	1.7682 ¢
	Non-Summer	0.9540 ¢
	<i>Annual*</i>	<i>2.4585 ¢</i>

**Annual values provided for informational purposes only and reflect seasonal weighting for 12 months ending December 2024.*

Note: Summer season is defined as June 1 - September 30. On-Peak hours is defined as 3pm - 11pm, Monday - Saturday, excluding holidays. All other Summer hours defined as Off-Peak. Non-Summer season defined as October 1 - May 31.

11

12 Q. How is your testimony organized?

13 //

1 A. My testimony will first discuss the relevant
2 regulatory history related to the Company's on-site
3 generation offering and the establishment of the ECR. I
4 will also provide an overview of customer bill impacts
5 resulting from a change in the ECR. Next, I will discuss
6 customer communication and outreach efforts. Finally, I
7 will describe the Company's plan to consolidate its annual
8 DER reporting requirement with its annual ECR update. The
9 DER Status Report is included as Attachment 2 to the
10 Application.

11 Q. Have you prepared any exhibits?

12 A. Yes, my testimony includes Exhibit Nos. 6,
13 7, 8, and 9, which summarize the bill impact for
14 residential, small general service, large general service,
15 and irrigation customers, respectively.

16 I. OVERVIEW OF RELEVANT REGULATORY HISTORY

17 ***On-Site Generation Offering Structure***

18 Q. Please provide a brief overview of recent
19 regulatory history related to how the Company's on-site
20 generation offering is structured.

21 A. In the last several years, Idaho Power, as
22 directed by the Commission, engaged in a series of cases
23 related to studying the costs and benefits of on-site
24 generation on the Company's system. In 2019 and 2020, the
25 Commission established "legacy" and "non-legacy" status for

1 residential and small general service customers and
2 commercial, industrial, and irrigation customers,
3 respectively.²

4 Q. What is the significance of "legacy" and
5 "non-legacy" status?

6 A. Through their orders, the Commission found
7 that legacy customers will continue to participate in net
8 energy metering (one-for-one kWh credit for excess net
9 energy) under certain criteria through 2045³ and non-legacy
10 customers would be subject to future changes to the program
11 fundamentals, including to the compensation structure
12 applied to excess energy. The Commission also ordered the
13 Company to undertake a comprehensive study process before
14 any changes applicable to non-legacy customer compensation
15 would be considered.⁴

16 //

² *In the Matter of the Petition of Idaho Power Company to Study the Costs, Benefits, and Compensation of Net Excess Energy Supplied by Customer On-Site Generation*, Case No. IPC-E-18-15, Order No. 34509 at 10 (Dec. 20, 2019); *In the Matter of Idaho Power Company's Application for Authority to Modify Schedule 84's Metering Requirement and to Grandfather Existing Customers with Two Meters*, IPC-E-20-26, Order No. 34854 at 10 (Dec. 1, 2020).

³ *In the Matter of the Petition of Idaho Power Company to Study the Costs, Benefits, and Compensation of Net Excess Energy Supplied by Customer On-Site Generation*, Case No. IPC-E-18-15, Order No. 34546 at 9 (Feb. 5, 2020); *In the Matter of Idaho Power Company's Application for Authority to Modify Schedule 84's Metering Requirement and to Grandfather Existing Customers with Two Meters*, Case No. IPC-E-20-26, Order No. 34854 at 10 (Dec. 1, 2020).

⁴ *In the Matter of the Application of Idaho Power Company for Authority to Establish New Schedules for Residential and Small General Service Customers with On-Site Generation*, Case No. IPC-E-17-13, Order No. 34046 at 22 (May 9, 2018).

1 Q. How did Idaho Power comply with the
2 Commission's directives to complete a comprehensive study?

3 A. Idaho Power undertook this study process
4 throughout 2021 and 2022.⁵ Ultimately, the Commission found
5 the Company had complied with its previous orders by
6 acknowledging the Company's October 2022 Value of
7 Distributed Energy Resource study.⁶ In that order, the
8 Commission also directed the Company to file a new case
9 requesting to implement changes to its on-site generation
10 offering.⁷

11 Q. How did the Company comply with that order?

12 A. On May 1, 2023, Idaho Power filed Case No.
13 IPC-E-23-14, where it sought to implement changes to the
14 on-site generation offering, which included a modified
15 compensation structure (net billing) that would be
16 applicable to non-legacy on-site generation customers.
17 Under net billing, customers continue to offset their usage
18 with all on-site production consumed on-site and are

⁵ *In the Matter of the Application of Idaho Power Company's Application to Initiate a Multi-Phase Collaborative Process for the Study of Costs, Benefits, and Compensation of Net Excess Energy Associated with Customer On-Site Generation*, Case No. IPC-E-21-21; *In the Matter of Idaho Power Company's Application to Complete the Study Review Phase of the Comprehensive Study of Costs and Benefits of On-Site Customer Generation & For Authority to Implement Changes to Schedules 6, 8, and 84 for Non-Legacy Systems*, Case No. IPC-E-22-22.

⁶ *In the Matter of Idaho Power Company's Application to Complete the Study Review Phase of the Comprehensive Study of Costs and Benefits of On-Site Customer Generation & for Authority to Implement Changes to Schedules 6, 8, and 84*, Case No. IPC-E-22-22, Order No. 35631 at 31 (Dec. 19, 2022).

⁷ *Id.*

1 compensated per kWh exported with an avoided cost-based
2 export credit rate ("ECR") that varies based on the season
3 and time of export. The Company's proposal contemplated
4 annual updates to the ECR, based on a Commission-approved
5 methodology.

6 The Company proposed various other modifications to
7 its on-site generation offering as well, including a
8 modified project eligibility cap for commercial,
9 industrial, and irrigation ("CI&I") customers and changes
10 to the accounting for and transferability of excess net
11 energy financial credits.

12 Q. Did the Commission authorize changes to the
13 compensation structure applied to Company's on-site
14 generation offering?

15 A. Yes. In Order No. 36048, the Commission
16 approved the Company's request to implement real-time Net
17 Billing for non-legacy customers and that customers under
18 Net Billing be compensated for excess energy at the ECR.⁸
19 The changes were approved to take effect with non-legacy
20 customers' January 2024 billing period.

21 Q. Did the Commission approve the Company's
22 request to establish an annual update to the ECR based on

⁸ *In the Matter of Idaho Power Company's Application for Authority to Implement Changes to the Compensation Structure Applicable to Customers On-Site Generation Under Schedules 6, 8, and 84 and to Establish an Export Credit Rate*, Case No. IPC-E-23-14, Order No. 36048 at 6 (December 29, 2023).

1 the Commission-approved methodology?

2 A. Yes. The Commission ordered that the Company
3 update the ECR annually beginning in 2025, with a filing
4 date of April 1 and an effective date of June 1.⁹

5 **Reporting Requirements**

6 Q. When did Idaho Power file its first annual
7 DER Status Report?

8 A. The Company filed its inaugural DER Status
9 Report in 2014, in compliance with Commission Order Nos.
10 32846 and 32925, issued in Case No. IPC-E-12-27.

11 Q. Please summarize the requirements
12 established through those orders.

13 A. In Order No. 32846, the Commission directed
14 the Company to file an annual DER Status Report with the
15 Commission. The Commission directed the Company to discuss
16 the on-site generation service provisions and pricing and
17 how distributed generation may be impacting system
18 reliability. Further, in Order No. 32925, the Commission
19 directed that the Company's annual DER Status Report also
20 include information on meter aggregation.¹⁰

21 Q. Has the Commission directed any subsequent
22 requirements related to the Company's annual reporting

⁹ *Id.*, at 18.

¹⁰ *In the Matter of Idaho Power Company's Application to Modify Net Metering Service*, Case No IPC-E-12-27, Order No. 32925 at 7 (November 19, 2013).

1 obligation?

2 A. Yes. In Order No. 34955, issued in Case No.
3 IPC-E-20-30, the Commission found it prudent to require
4 that the Company's annual DER Status Report include any
5 known or foreseeable DER-related distribution circuit
6 issues or costs and potential smart inverter functionality
7 updates that could address the issues or lower costs.¹¹ In
8 that same case, the Commission found that the annual DER
9 Status Report should be the primary means by which the
10 Company apprises the Commission of activity related to on-
11 site generation, but that the Company should also include
12 information within its annual Demand-Side Management
13 ("DSM") Report.

14 Most recently, in Order No. 36159, issued in Case
15 No. IPC-E-23-14, the Commission accepted the Company's
16 compliance filing,¹² which included a requirement to report
17 on the number of upgrades to the Company's system caused by
18 on-site generation and the ongoing O&M costs caused by
19 those upgrades.¹³

20 Q. How does the Company currently comply with
21 these reporting requirements?

22 //

¹¹ *In the Matter of Idaho Power Company's Application for Authority to Establish Tariff Schedule 68*, Case No. IPC-E-20-30, Order No. 34955 at 11 (March 9, 2021).

¹² Case No. IPC-E-23-14, Order No. 36159 at 1 (April 30, 2024).

¹³ *Id.*, Compliance Filing at 5 (March 28, 2024).

1 **Table 1: Non-Legacy; ID Active and Pending Exporting**
 2 **Systems as of December 31, 2024**

Customer Segment	Solar PV	Wind	Hydro/Other	Total
Schedule 6				
Residential	13,599	1	1	13,601
Schedule 8				
Small General	35	-	-	35
Schedule 84				
Commercial & Industrial	102	-	-	102
Irrigation	87	-	-	87
Total	13,823	1	1	13,825

3 **Table 2: Non-Legacy; ID Active and Pending Exporting**
 4 **Systems Nameplate Capacity (MW) as of December**
 5 **31, 2024**

Customer Segment	Solar PV	Wind	Hydro/Other	Total
Schedule 6				
Residential	105.31	0.002	0.004	105.31
Schedule 8				
Small General	0.33	-	-	0.33
Schedule 84				
Commercial & Industrial	4.49	-	-	4.49
Irrigation	13.26	-	-	13.26
Total	123.38	0.002	0.004	123.38

6 *Note: Totals may not sum due to rounding.*

7 Q. Did the Company evaluate the impact of its
 8 proposed ECR on customer bills?

9 A. Yes. Included with my testimony are Exhibit
 10 Nos. 6, 7, 8, and 9, which summarize the bill impact for
 11 residential, small general service, large general service,
 12 and irrigation customers, respectively.

13 Q. How did you assess bill impacts?

14 A. Generally, the analysis relies on 12 months
 15 of hourly metering data ending December 31, 2024, for

1 customers with Exporting Systems who were online for all of
2 calendar year 2024. To isolate the impact from a change in
3 the ECR, the Company estimated annual bills for delivered
4 services using base rates currently in effect. The Company
5 then estimated the annual financial credit associated with
6 exported energy under both the ECR currently in effect and
7 then with the proposed ECR. Finally, the analysis
8 quantifies an average monthly bill under the current ECR
9 and an average monthly bill under the proposed ECR.

10 Q. Please provide an overview of the results of
11 the bill impact analysis for residential customers.

12 A. On an average monthly basis, a residential
13 on-site generation customer's monthly bill under the
14 current ECR is \$62.35 and under the proposed ECR it is
15 \$83.62, which equates to an average increase of \$21.27 per
16 month.

17 Figure 2 summarizes the results of the residential
18 bill impact analysis and groups customers by their average
19 monthly energy consumption in 2024 to highlight the change
20 in bill amount based on usage groupings. Exhibit No. 6 to
21 my testimony includes the full bill impact analysis.

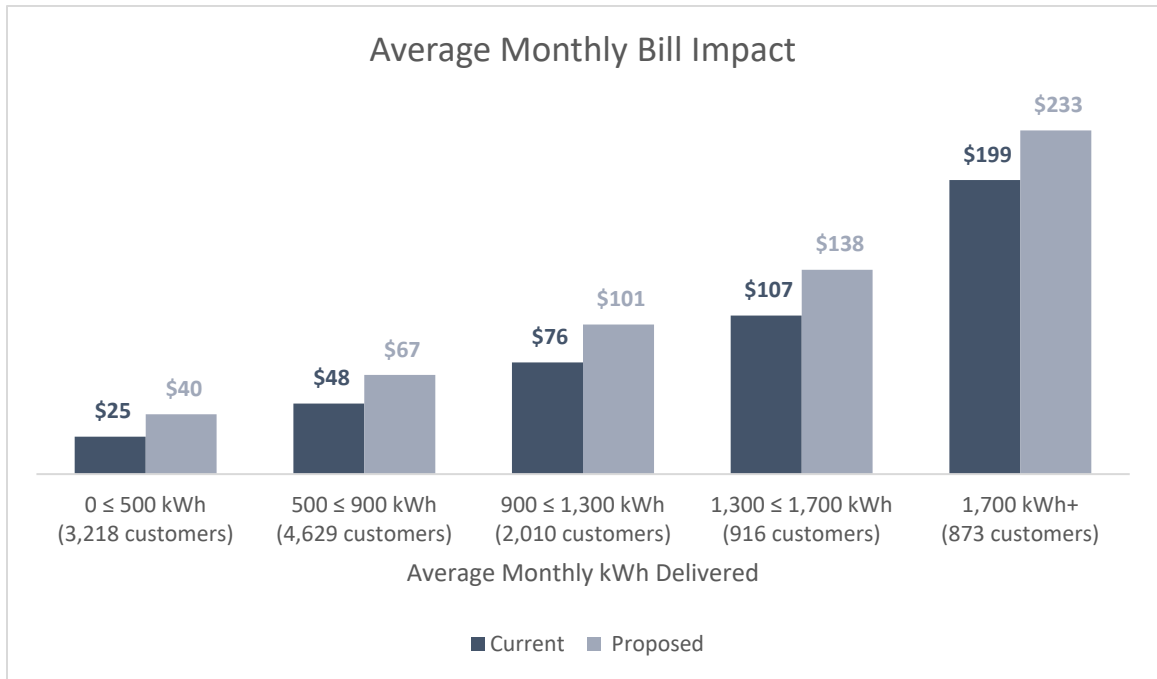
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1 **Figure 2: Residential Average Monthly Bill Impact**



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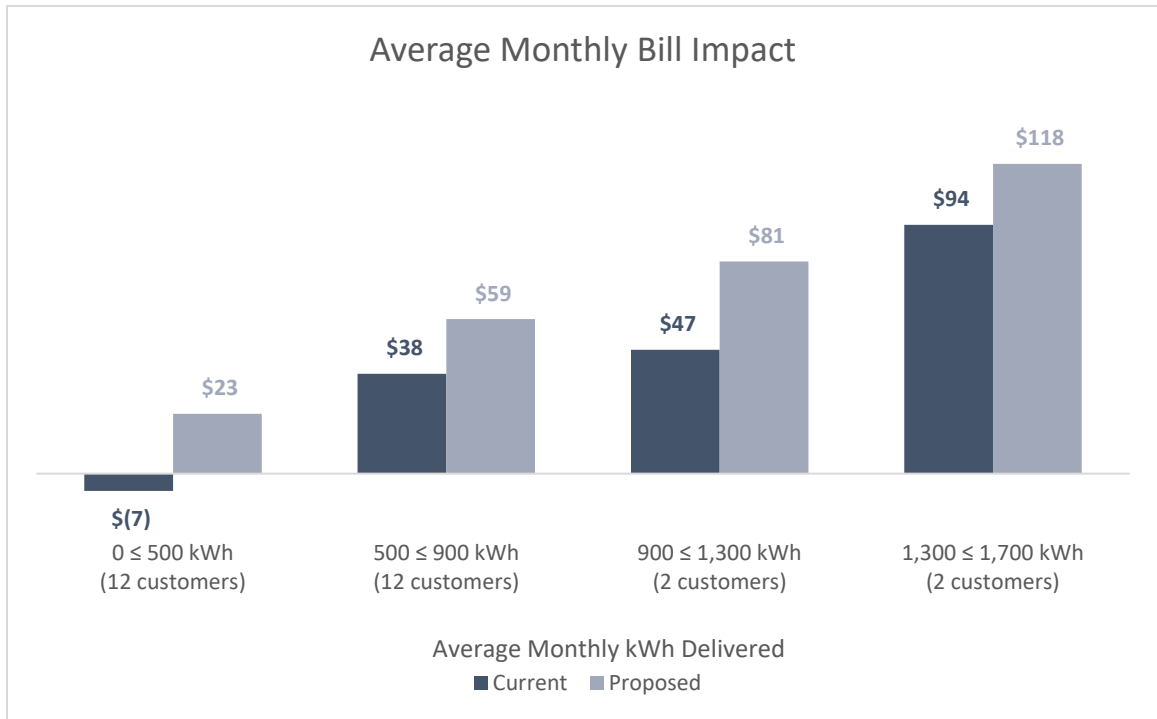
3 Q. Please provide an overview of the results of
4 the bill impact analysis for small general service
5 customers.

6 A. On an average monthly basis, a small general
7 service on-site generation customer's monthly bill under
8 the current ECR is \$23.53 and under the proposed ECR it is
9 \$49.02, which equates to an average increase of \$25.49 per
10 month.

11 Figure 3 summarizes the results of the small general
12 service bill impact analysis and groups customers by their
13 average monthly energy consumption in 2024 to highlight the
14 change in bill amount based on usage groupings. Exhibit No.
15 7 to my testimony includes the full bill impact analysis.

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1 **Figure 3: Small General Average Monthly Bill Impact**



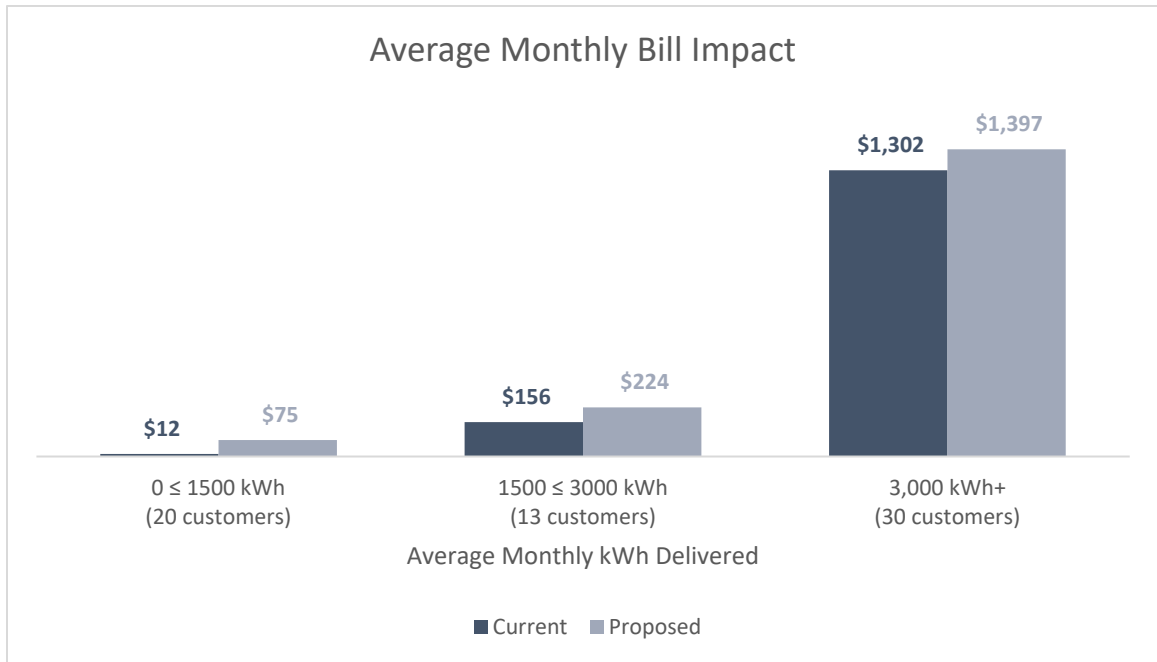
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3 Q. Please provide an overview of the results of
4 the bill impact analysis for large general service
5 customers.

6 A. On an average monthly basis, a large general
7 service on-site generation customer's monthly bill under
8 the current ECR is \$656.01 and under the proposed ECR it is
9 \$735.41, which equates to an average increase of \$79.40 per
10 month.

11 Figure 4 summarizes the results of the large general
12 service bill impact analysis and groups customers by their
13 average monthly energy consumption in 2024 to highlight the
14 change in bill amount based on usage groupings. Exhibit No.
15 8 to my testimony includes the full bill impact analysis.

1 **Figure 4: Large General Average Monthly Bill Impact**



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3 Q. Please provide an overview of the results of
4 the bill impact analysis for irrigation customers.

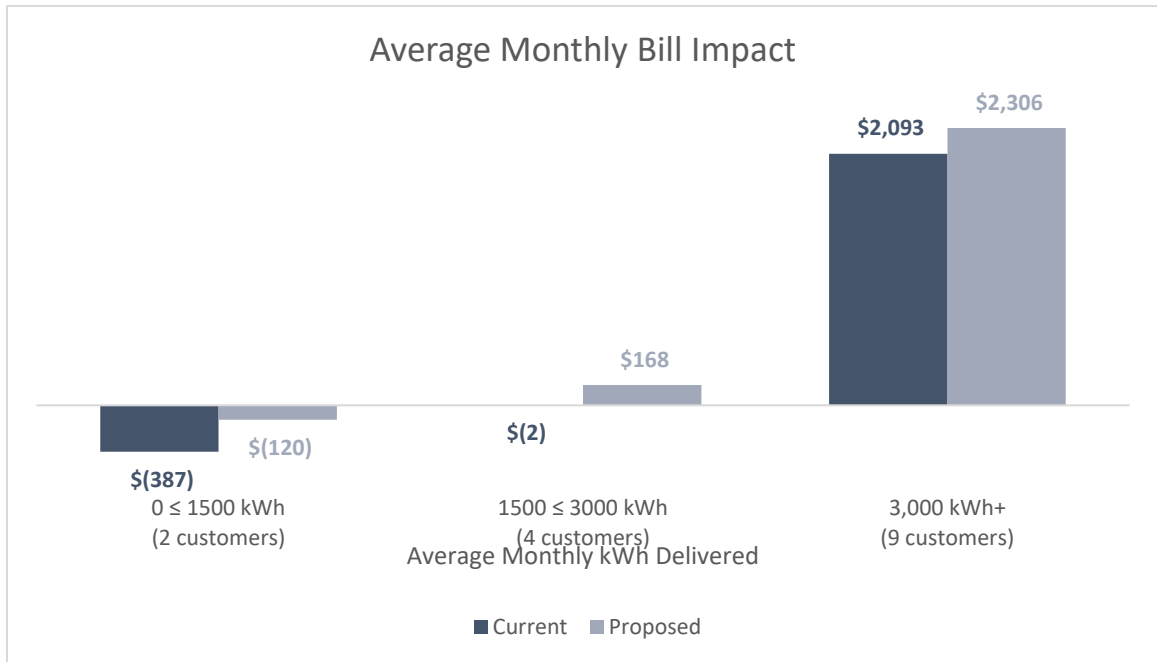
5 A. On an average monthly basis, an irrigation
6 on-site generation customer's monthly bill under the
7 current ECR is \$1,203.50 and under the proposed ECR it is
8 \$1,412.43, which equates to an average increase of \$208.93
9 per month.

10 Figure 5 summarizes the results of the irrigation
11 bill impact analysis and groups customers by their average
12 monthly energy consumption in 2024 to highlight the change
13 in bill amount based on usage groupings. Exhibit No. 9 to
14 my testimony includes the full bill impact analysis.

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1 **Figure 5: Irrigation Average Monthly Bill Impact**



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III. CUSTOMER OUTREACH AND COMMUNICATION

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Q. Please explain how the Company will notify customers of this filing.

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A. Following its filing, Idaho Power will begin notifying all active and pending non-legacy on-site generation customers of the updated ECR using a direct mailed postcard. The postcard will explain the Company's proposal to update the ECR with an effective date of June 1, 2025, give a brief explanation of the proposed ECR and the primary driver contributing to the change in ECR, and will provide information on how the public can submit comments and participate in the proceeding. A copy of the postcard is included as Attachment 3 to the Application.

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1 The Company will also send new applicants (those who
2 submit an application between April 1 and May 31), an email
3 upon receipt of application about the filing, the proposed
4 ECR, and a link to its website where customers can find
5 more information. On June 1, coincident with the effective
6 date of an updated ECR, the Company will remove this email.
7 All customers will continue to receive standard messaging
8 as part of their application received email that the ECR
9 will be updated annually, subject to Commission approval.

10 Additionally, the Company will have information
11 available on its website and has a team of Customer
12 Solutions Advisors in its Customer Interaction Center that
13 are specifically trained to field calls from on-site
14 generation customers.

15 **IV. CONSOLIDATION OF DER STATUS REPORT REQUIREMENTS**

16 Q. Please explain the Company's plan related to
17 the filing of its annual DER Status Report.

18 A. The DER Status Report has historically been
19 filed by the Company on or before April 30th of each year,
20 though this timing was based on course of practice rather
21 than mandated by Commission order, and the Company believes
22 that moving forward the most expeditious approach would be
23 to align the filing of the DER Status Report with its
24 annual ECR update and submit it on April 1st.

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1 Q. Why does the Company believe consolidating
2 its reporting requirements into a single submission is
3 needed?

4 A. Currently, the Company submits information
5 related to its on-site generation offering in two places:
6 (1) a closed docket (IPC-E-12-27) and (2) its annual DSM
7 Report. The Company is concerned that submitting a report
8 in closed or unrelated dockets does not provide broad
9 visibility to the matters it has been ordered to report on.

10 This is evidenced by how the second reporting
11 obligation (to submit as part of the annual DSM Report)
12 came to be: in Case No. IPC-E-20-30, a party to the case
13 submitted comments in January 2021 recommending Idaho Power
14 be required to produce an annual report describing the
15 levels of distributed energy systems and any impacts to
16 distribution circuits, among other things.¹⁴ At the time of
17 those comments, Idaho Power had filed seven annual reports
18 detailing the levels of distributed energy on the Company's
19 system and impacts that were occurring to its distribution
20 circuits. The party who offered that recommendation was
21 also a party to Case No. IPC-E-12-27 (where the reporting
22 obligation stemmed from) and was unaware that the Company

¹⁴ *In the Matter of Idaho Power Company's Application for Authority to Establish Tariff Schedule 68, Interconnections to Customer Distributed Energy Resources*, Case No. IPC-E-20-30, Comments of the Idaho Conservation League, page 4 (Jan. 13, 2021).

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DECLARATION OF MARY ALICE J. TAYLOR

I, Mary Alice J. Taylor, declare under penalty of perjury under the laws of the state of Idaho:

1. My name is Mary Alice J. Taylor. I am employed by Idaho Power Company as Regulatory Analyst in the Regulatory Affairs Department.

2. On behalf of Idaho Power, I present this pre-filed direct testimony and Exhibit Nos. 6-9 in this matter.

3. To the best of my knowledge, my pre-filed direct testimony is true and accurate.

I hereby declare that the above statement is true to the best of my knowledge and belief and that I understand it is made for use as evidence before the Idaho Public Utilities Commission and is subject to penalty for perjury.

SIGNED this 1st day of April, 2025, at Boise, Idaho.



Mary Alice J. Taylor

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-25-15**

IDAHO POWER COMPANY

**TAYLOR, DI
TESTIMONY**

EXHIBIT NO. 6

SEE ATTACHED SPREADSHEET

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-25-15**

IDAHO POWER COMPANY

**TAYLOR, DI
TESTIMONY**

EXHIBIT NO. 7

SEE ATTACHED SPREADSHEET

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-25-15**

IDAHO POWER COMPANY

**TAYLOR, DI
TESTIMONY**

EXHIBIT NO. 8

SEE ATTACHED SPREADSHEET

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-25-15**

IDAHO POWER COMPANY

**TAYLOR, DI
TESTIMONY**

EXHIBIT NO. 9

SEE ATTACHED SPREADSHEET