

Origis Energy, LLC
Solar Energy Task Force
November 30, 2015
Comments provided by Scott Turlington

Background

- Origis has a fully entitled 40 megawatt solar facility located just outside of Kuna.
- Construction will commence before the end of the year.
- The project sits on approximately 550 acres. Origis owns the land.
- There will be approximately 350 construction jobs during the construction period.
- Origis is one of seven solar projects in Idaho that have a Power Purchase Agreement approved by the PUC that is actively moving forward towards completion. Those 7 projects represent 220 megawatts.
- This summer, the PUC issued an order that reduced PURPA contracts from 20 years to 2 years.
- Those seven solar projects most likely represent the only solar projects that will be developed in Idaho at commercial scale.
- Because of the PUCs new rule for PURPA projects, the probability of any more renewable PURPA projects, especially solar, being developed in Idaho is extremely low, if not completely improbable.
- Solar projects have a very low burden on local services because of their efficiency. With approximately five full time employees once operational, local services are unlikely to be disrupted. Conversely, with very few FTEs, the local economy will experience a surge during construction without the benefit of an ongoing surge.

The Path to the Solar Task Force

- Last session Origis and the other project companies introduced H. 134 which amended several sections of Idaho Code, including, Idaho Code 63-3501. Our amendment added solar energy to the already existing methodology for taxation for renewable energy projects, namely wind and geothermal energy which are currently taxed under the methodology found in Idaho Code 63-3501.

- Following the print hearing for H. 134 in the House Revenue and Taxation Committee, Idaho Power came forward and expressed grave concern about the potential onslaught of solar projects in Idaho.
- The company indicated they had received inquiries for some 1,000 additional megawatts of solar. Idaho Power stated their opposition to H. 134 as a result.
- Origis, and the other project developers, met with the bill co-sponsors and other legislators. We came to the conclusion, and our understanding was, that efforts would soon be underway by the PUC to curtail the length of PURPA contracts that were not already approved.
- The solar companies agreed to hold off on H. 134 until the next session (this upcoming session) to allow the PUC to take action on the length of PURPA contracts that were not already approved.
- Origis was, and remains, indifferent to the PUCs ruling on the PURPA contracts being reduced from 20 years to 2 years.
- The culmination of all these events resulted in the solar companies requesting that a task force be authorized to meet during the off-session and review the merits of H. 134, and specifically, **whether or not solar should be treated on an equal taxation basis with other renewable energy, namely wind and geothermal, under Idaho Code 63-501.**
- It is a reasonable interpretation, based on the recent ruling of the PUC, that Idaho will only see roughly seven commercial solar projects, 220 megawatts, developed for the foreseeable future.
- These seven projects already had approved Power Purchase Agreements prior to the PUCs ruling to reduce PURPA contracts from 20 years to 2 years.

Next Steps

- Now that the dust has settled with the PUC, and the PURPA contract length concern has been resolved (for any company that did not have an approved contract prior to the PUC ruling), it is Origis' intent to move forward again this session with legislation mirroring H. 134.

- It seems clear to us, because of the PUC ruling, that Idaho Power is no longer facing imminent danger of being forced to take on thousands of unwanted, and perhaps unnecessary, megawatts of power produced by solar and other renewables in Idaho.
- With that threat gone, **we are requesting that the existing solar projects be afforded the same taxation structure that is afforded to wind and geothermal found under Idaho Code 63-501.**