

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Filing of Rocky Mountain)
Power's Net Metering Report for the Period) DOCKET NO. 10-035-58
April 1, 2009 to March 31, 2010)
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In the Matter of the Approval of Rocky)
Mountain Power's Tariff P.S.C.U. No. 47, Re:) DOCKET NO. 08-035-T04
Schedule 135 - Net Metering Service)
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In the Matter of the Consideration of Changes)
to Rocky Mountain Power's Schedule No.) DOCKET NO. 08-035-78
135 - Net Metering Service) REPORT AND ORDER MODIFYING
) REPORTING REQUIREMENTS
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)

ISSUED: November 30, 2010

By The Commission:

This matter is before the Commission on the request of Rocky Mountain Power (Company) for a Commission order approving the annual net metering report required under Docket No. 08-035-T04 be superceded by the annual interconnection reporting requirements contained in Utah Administrative Code R746-312-16. Electrical Interconnection ("Rule").

BACKGROUND

On June 13, 2008, the Commission issued an Order Approving Tariff with Certain Conditions in Docket No. 08-035-T04. This Order required the Company to submit an annual net metering report, due by April 30th of each year, informing the Commission of the number of Utah net metering installations, the respective individual capacity of each installation, the total capacity of the Utah customer-generation as of the end of the annualized billing period, and any unforeseen problems or barriers in the tariff.

On February 12, 2009, the Commission's Order Directing Tariff Modifications in Docket No. 08-035-78 affirmed the above-mentioned reporting requirements. In addition, the Commission required the Company to submit any other relevant measure showing how close the Company's net metering program is to the designated net metering cap. In accordance with the above referenced dockets, on May 7, 2009, the Company filed its 2009 Net Metering Report for Utah in Docket No. 09-035-30, "In the Matter of the Filing of Rocky Mountain Power's 2009 Net Metering Report for Utah."

On April 30, 2010, the Rule became effective. Subsection R746-312-16 of the Rule, pertaining to public utility maps, records, and reports, contains the following annual reporting requirements: By July 1 of each year, the public utility shall submit to the commission an annual report with the following summary information for the previous calendar year: a) the total number of generating facilities approved and their associated attributes including resource type, generating capacity, and zip code of generating facility location; b) the total rated generating capacity of generating facilities by resource type; c) for net metering interconnections, the total net excess generation kilowatt-hours received from interconnection customers by month; and d) for net metering interconnections, the total amount of excess generation credits in kilowatt hours, and their associated dollar value, which have expired at the end of each annualized billing period.

On May 5, 2010, in Docket No. 10-035-58, the Company filed its Net Metering Report for the Annualized Billing Period ending March 31, 2010 ("2010 Report"). In its cover letter to this filing the Company requested, because of the similarity of the reporting

requirements, the annual report required by Docket No. 08-035-T04 be superseded by the annual report provided under the Rule and that only one interconnection report be provided each year.

On July 6, 2010, the Division of Public Utilities (“Division”) filed comments on the Company’s 2010 Report. Finally, in response to a verbal communication from the Company, on July 7, 2010, in Docket No. 09-R312-01, “In the Matter of the Notice of Proposed New Rule 746-312, Standards for Interconnection of Electrical Generating Facilities to Public Jurisdiction Under the Public Service Commission,” the Commission provided a waiver of the Rule’s annual interconnection report due in 2010.

DISCUSSION

The Division provides a comprehensive analysis of the Company’s 2010 Report by addressing three issues. First, the Division concludes the Company’s 2010 Report contains the information as required by the Commission in Docket No. 08-035-T04 and additional information requested by the Division in Docket No. 09-035-30. Therefore, the Division recommends that the Commission acknowledge the Company’s report as being compliant with Commission order.

We commend the Company for its efforts in providing net metering and compiling the information provided in the 2010 Report, both of which we find valuable. We agree with the Division’s analysis of the Company’s 2010 Report as compliant with our orders in both Docket Nos. 08-035-T04 and 08-035-78.

Second, pursuant to the Company’s request that the net metering reporting requirements under Docket No. 08-035-T04 be superseded by the reporting requirements under

the Rule, the Division provides a summary of the reporting requirements from both the Commission's orders and the Rule. The Division concludes, for the most part, the reporting requirements are similar under either the Rule or Commission order, with more being required under the Rule with two notable exceptions: the Rule does not require the Company to report on (1) the Cap and the relative installed capacity, and (2) any unforeseen problems or concerns.

The Division points out the 2010 Report indicates that the installed capacity is approximately 0.15 percent of the cap of 923,000 kilowatts. Thus, the Division explains, while the cap has been a contentious topic in the past, the current cap should not pose a binding obstacle for net metering installations in the near future. As installed capacity approaches the cap in the future, the Division suggests the Company could report on the cap and any concerns it may have at that time.

The Division concludes the Company's request is reasonable and recommends that the reporting requirements under the Rule supersede the reporting requirements under Docket No. 08-035-T04 with the caveat that the Company continue to report on any unforeseen problems or issues. The Division notes that while the 2010 Report complies with the reporting requirements under Docket No. 08-035-T04, it does not comply with the reporting requirements under the Rule. The Division indicates the Company will need to re-file the report to include additional information to be compliant with the filing requirements under the Rule.

We agree with the Division the reporting requirements under Docket No. 08-035-T04 and 08-035-78 are similar to those required by the Rule and approve the Company's request with the following clarifications and requirements. We observe the report required by the Rule

does not require net metering interconnections be reported differently than non-net metering interconnections. We clarify that all net metering interconnections must be noted in some fashion in the annual report. We also clarify it is our intent that the information required by R746-312-16(2)(a) is the same cumulative information as provided in Attachment A of the Company's 2010 Report with the addition of the zip code, year of installation, and the annotation referenced above.

We note there is a possible mismatch in timing of the two reports, i.e., the 2010 Report is cumulative through the end of the annualized billing period of the year the report is submitted. The report required by the Rule is an annual report of the previous calendar year's data but also includes, for net metering interconnections, the total amount of excess generation credits in kilowatt hours, and their associated dollar value, which have expired at the end of each annualized billing period. Utah Code 54-15 defines the end of the annualized billing period as March 31.

We find cumulative net metering information compiled through the end of the annualized billing period useful for analytical purposes. To address this mismatch we suggest the Company's June 1 report filed pursuant to the Rule provide all of the data required by the Rule through the end of the annualized billing period of the year the report is being submitted, thereby satisfying both reporting requirements. If the Company would like to propose an alternate approach to this reporting, we direct it to do so by February 15, 2011.

We also find value in the Company's presentation of information on the amount of net metering installed capacity relative to the cap on an annual basis as it provides a

benchmark for comparing a historical progression of the net metering program. We therefore require the Company to continue to report both this information and, as recommended by the Division, information on any unforeseen problems or barriers in the tariff. Regarding the Division's observation that the Company will need to refile its 2010 Report to be compliant with the Rule, on July 7, 2010, based upon the effective date of the Rule, the Commission provided a waiver of the Rule's annual interconnection report due in 2010.

Finally, the Division provides general observations on and a summary of the Company's net metering activity. As of March 31, 2010, there were a total of 569 net metering installations with a combined capacity of 1,341 kilowatts, representing an increase of 154 installations and 528 kilowatts over the 2009 Report. The installations include seven solar and wind combinations, with total capacity of 23 kilowatts, and one hydro installation with a capacity of two kilowatts. Sixty-one customers had a total of 12,828 kilowatts of expired excess generation credits. The average number of expired credits equaled 210 with a median of 72, indicating a few customers with relatively large quantities of expired credits. For the 61 customers with expiring credits, the most expired credits for one customer was 1,224. Most customers (62 percent) had fewer than 113 expired credits and 50 percent of the customers had less than 72 expired credits. Seven percent, or approximately four customers, had over 1,000 credits expire.

We find the Division's analysis of the data provided by the Company in the 2010 Report valuable in assessing Utah's net metering progress. This information will also be important to determine if future modification to Utah's net metering law, Utah Code 54-15, may be warranted.

ORDER

Wherefore, pursuant to our discussion, findings and conclusions made herein, we order:

- 1) The reporting requirements contained in R746-312 supercede and replace the Company's net metering reporting requirements in Docket Nos. 08-035-T04 and 08-035-78 with the following exceptions and clarifications:
 - a) All net metering interconnections must be noted in the annual report filed pursuant to the Rule;
 - b) The information required by R746-312-16(2)(a) is the same cumulative information as provided in Attachment A of the Company's 2010 Report with the addition of the zip code, year of installation, and notation if the interconnection is a net metered resource;
 - c) The Company's annual report filed pursuant to the Rule should provide all of the data required by the Rule through the end of the annualized billing period of the year the report is being submitted unless otherwise approved; and
 - d) The Company is required to report information on the amount of net metering installed capacity relative to its net metering cap and any unforeseen problems or barriers in the tariff in its annual report filed pursuant to the Rule.

DOCKET NOS. 10-035-58, 08-035-T04, and 08-035-78

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DATED at Salt Lake City, Utah, this 30th day of November, 2010.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary

G#69856 Docket No. 10-035-58
G#69857 Docket No. 08-035-T04
G#69858 Docket No. 08-035-78