

PublicService Commission <psc@utah.gov>

docket 13-035-184

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Mon, May 5, 2014 at 12:40 PM

Public Service Commissioner:

Ron Allen David Clark Thad LeVar

Re: Docket # 13-035-184

The questions before the Commissioners are as follows (from the directive given in SB 208):

Excerpt from SB 208 (2014 Session)

The governing authority shall:

- 147 <u>(1) determine, after appropriate notice and opportunity for public comment,</u> whether
- 148 <u>costs that the electrical corporation or other customers will incur from a net</u> metering program
- 149 <u>will exceed the benefits of the net metering program, or whether the benefits of the net</u>
 - 150 <u>metering program will exceed the costs; and</u>
- 151 (2) determine a just and reasonable charge, credit, or ratemaking structure, including
 - 152 newor existing tariffs, in light of the costs and benefits.
 - 1. To determine whether costs that the electrical corporation (Rocky Mountain Power/Pacific Corp.) or other customers will incur from a net metering program will exceed the benefits of the net metering program, or whether the benefits of the net metering program will exceed the cost;
 - 2. Determine a just and reasonable charge, credit, or ratemaking structure, including new or existing tariffs, in light of the costs and benefits.

First let us consider the benefits that solar and other clean alternate energy production provides. Net metering customers reduce the cost of energy by at least four significant ways, reduction in the need for building large production facilities, lower infrastructure costs, lower the cost for pollution control equipment, and

generate funds from the sale of REC's.

By build numerous small energy production facilities (net metering) a large energy production facility is created. This in turn eliminates the need to build additional large production facilities or at least reduces the need significantly. Since these smaller energy production facilities are completely paid for by the net meter consumer/homeowner (if they did not receive a rebate, which I did not and few do), there is no need to borrow funds to build a large production facility. Not only do they pay for all the equipment, but they also pay for all the maintenance as well. With the energy being produced at or very near to the end user it eliminated the need for boosting, transporting, and transmission infrastructure expenditures above and beyond the localized lines. Everyone benefits from this, not just the net meter energy producer.

As stated in exhibit 1.0 Dir. cc lines 1315-1317 "company (Rocky Mountain Power/Pacific Corp) may continue to spend relatively <u>large</u> amounts for pollution control equipment..." With the greater uses of clean energy production the need for expensive pollution controlling equipment will be significantly reduced. This also benefits everyone.

Finally, when a net metering contract is signed all REC's produced by that clean energy facility is handed over to Rocky Mountain Power/Pacific Corp. I've notice, upon examining the various schedules for electric service rates, that some of the proceeds from the sale of these REC's are credited back to the various different users. At least that's what it appears to do. Wouldn't it be better to use the funds to help pay for any upgrades that may be necessary for electric flow control with net metering customers?

I'm opposed to charging net metered customers more when they clearly benefit everyone and shoulder the burden of cost alone.
Sally Buttars