PublicService Commission <psc@utah.gov>

Docket 14-035-116

1 message

Ken Jameson <kpjameson@yahoo.com> Thu, Sep 25, 2014 at 3:34 PM
Reply-To: Ken Jameson <kpjameson@yahoo.com>
To: "psc@utah.gov" <psc@utah.gov>

I urge that the Commission grant Rocky Mountain Power's avoided cost value of remaining unused credits from the net metering program to
(b) for another use as determined by the commission.
First, I do not think it should be granted (a) to the electrical corporation's low-income assistance programs as determined by the commission for the following reasons.

- That program is based upon revenue received from customers that as closely as possible balances the subsidies to qualified recipient customers. For example, at the start of QII-2013, the fund had a balance of $670,056. Over that quarter, an additional $1,125,984 was paid into the fund, while $1,030,833 was provided to recipients. Interest of $13,041 was accrued, and administrative costs of $1,485 were incurred. So at the end of that quarter, the fund balance was $776,763. Granting unused credits from net metering to this program would not affect low-income consumers' benefits from the program. It would simply add to the fund balance unless the current contribution formula were changed to reduce on-going contributions.
- Residential distributed generation capacity(almost entirely solar) is increasing rapidly, e.g. from April 2013 to March 2014, it increased by 79.7% from 9,891kw to 17,783 kw. As presently calculated and measured, the total value of excess credits during 2013-2014 was only $10,619. However, this is likely to increase rapidly as more solar generation is installed by residential customers of the net metering program, and this would complicate the balancing of the Low Income Lifeline fund.
- Residential net metering customers, whether they generate excess electricity or not, already pay into the "Home Electric Lifeline Program," so granting the excess credits to the program would have them pay into the program twice.

Second, with regard to granting the unused credits to "(b) for another use as determined by the commission,"
I urge the Commission to incorporate their disposition into the broader evaluation of Rocky Mountain Power's treatment of distributed generation as represented by the net metering program. The Commission has opened DOCKET NO. 14-035-114 to consider PacifiCorp's proposed net metering facilities charge. While in other states, excess credits are purchased from the residential net metering customers who generate them, thus recognizing their contribution to system capacity, that element is currently ignored in the treatment of net generation in Utah. If Utah wished to encourage distributed generation in anticipation of EPA haze reduction regulations, purchasing the excess credits from their producers would be a step in that direction. Absent that, the value of the excess credits should certainly be taken into account in any decision on a net metering facilities charge, i.e. "another use as determined by the Commission."
Sincerely,
Kenneth P. Jameson
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