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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Utah Public Service Commission

From: Office of Consumer Services
Michele Beck, Director
Cheryl Murray, Utility Analyst

Date: August 8, 2014

Re: In the Matter of Rocky Mountain Power's Customer Owned Generation and Net Metering Report and Attachment A for the Period April 1, 2013 through March 31, 2014. Docket No. 14-035-82

Background

On July 1, 2014 Rocky Mountain Power (Company) filed its Customer Owned Generation and Net Metering Report (Report) and Attachment A for the period April 1, 2013, through March 31, 2014. The Company indicates the Report is submitted in compliance with Docket 08-035-T04 and R746-312-16. On July 1, 2014 the Public Service Commission (Commission) issued an action request to the Division of Public Utilities (Division) requesting that the Division provide analysis, evaluation results, and the basis for conclusions and recommendations regarding the compliance of the Report and additionally to make recommendations. The response deadline for the action request is July 31, 2014 however the Division requested and was granted an extension of time to respond until August 14, 2014. The Office of Consumer Services (Office) submits the following comments in response to the Commission's action request with the extended response deadline.

Discussion

Reporting Requirements

The provisions of R746-312-16 require that the public utility submit to the Commission an annual report related to the previous calendar years' net metering activities. Information to be provided includes: 1) the total number of generating facilities approved and their associated attributes including resource type, generating capacity, and zip code of generating facility location; 2) the total rated generating capacity of generating facilities by resource type; 3) for net metering interconnections, the total net excess generation kilowatt-hours received from interconnection customers by month; and 4) 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.

In addition to the items included in R746-312-16 the Commission's November 30, 2010 Order in Docket 10-035-58¹ modified certain earlier requirements and requires that: 1) all net metering interconnections must be noted in the annual report; 2) the information required by §756-312-16(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; 3) 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 4) 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.

Office Review of the 2014 Net Metering Report

General Comments

Unlike the majority of reports submitted by the Company this Report contains no summary or explanation related to the details of the Report. The accompanying cover letter indicates that the Report is submitted in compliance with Docket Nos. 08-035-T04 and 08-035-78 and R746-312-16. A review of the documents identified by the Company and the layout of the Report make it fairly easy to navigate and compare the included information against the reporting requirements.

The Office notes that on November 30, 2010, the Commission issued a single order for Docket Nos. 10-035-58, 08-035-T04 and 08-035-78 modifying some of the provisions from earlier orders in the 08 dockets. The Commission's website under both Docket Nos. 08-035-T04 and 08-035-78 includes the November 30, 2010 Order therefore, the modifying Order can be found with the Company's referenced dockets. However, for a more complete record the Office suggests that in future reports the Company also include a reference to Docket No. 10-035-58.

Completeness of Report

¹ The November 30, 2010 Order was captioned as Docket 10-035-58, Docket No. 08-035-T04 and Docket No. 08-035-78.

The Office was able to identify information provided in the Report for each of the requirements specified above. Verify the required information was provided in the Report.

Report Clarifications

Attachment A to the Report includes information related to each net metering customer. Customers are not identified by name but by a customer number. The Office notes that customer number 1791 has an interconnection date of July 2, 2013 however kWh credits are shown for 2011 and 2012 as well as 2013. The Office asked the Company to explain how credits could be received and expire prior to the interconnection date. Following is the Office's data request and the Company's response

OCS Data Request 1.4

Customer number 1791 has an interconnection date of July 2, 2013 however kWh credits are shown for 2011 and 2012 as well as 2013. Please explain how credits were achieved prior to the interconnection date.

Response to OCS Data Request 1.4

After further review, we have determined that Customer 1791 had a smaller system located at the site that was installed October 2010. In July of 2013 they did a large expansion of this generation facility and did significant additional work on the electric facilities at the location. During that process there account was modified and this modification caused the field where the interconnection date is stored to be updated to the date at that point. So the excess generation for 2011 and 2012 was from the original facility at that site. The 2013 excess generation is from the expanded facility.

The second table on page 1 of the Report identifies non-net metering facilities by Resource Type and shows a total of 3 solar facilities that are interconnected but not net metering customers. Attachment A identifies only 1 non-net metered solar facility. The difference is insignificant but the Office has requested that the Company clarify which number is correct or why there is a difference in the two numbers.

Excess Generation

The Office is concerned about the small, but growing, number of net metering customers with excess generation. The Office is particularly concerned that a very small number of customers are actually generating a significant level of excess. Our primary concern is that customers be given correct information related to the appropriate size of solar panels for their home and usage pattern². The Office acknowledges that customers likely work

² The Office notes that we are not persuaded by the argument (being made by some customers in media reports) that customers should be compensated for excess generation. The net metering tariff is designed and authorized in statute to be an offset to customer use. However, the Office is amenable to further

primarily with solar installers or solar sales representatives to determine the size of their system. Nonetheless, the Office recommends that the Company seek additional ways to increase customer education on this issue and is available to work with the Company on any such effort. The Commission may want to specifically comment in its order on its view on the matter of proper sizing to provide guidance for future customer education.

Recommended Modification for Future Reports

The spreadsheet, Attachment A- 2014 Customer Generation Report, contains the headings KWH Credit for each year 2009 through 2013. The “KWH Credits” are noted to specific net metering customers. The KWH numbers under those headings are actually for expired net metering KWHs. The Office suggests that modifying the heading to KWH Expired, KWH Credits Expired, or some other clarifying language would be more appropriate as the identified customer does not receive a credit for those expired KWHs.

Recommendations

The Office recommends that the Commission acknowledge Rocky Mountain Power’s Customer Owned Generation and Net Metering Report and Attachment A for the Period April 1, 2013 through March 31, 2014.

The Office further recommends that in future Reports the Company label the expired KWH column on Attachment A- 2014 Customer Generation Report with a more meaningful title.

Copies to:

Rocky Mountain Power

Jeffery K. Larsen, Vice President, Regulation

Division of Public Utilities

Chris Parker, Director

evaluation of whether the specific annual period as currently defined is ideal or should be replaced with a different option as was done for the irrigator class.