

Gary A. Dodge, #0897
HATCH, JAMES & DODGE
10 West Broadway, Suite 400
Salt Lake City, UT 84101
Telephone: 801-363-6363
Facsimile: 801-363-6666
Email: gdodge@hjdllaw.com
Attorneys for UAE

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of Subscriber Solar Program	Docket No. 15-035-61 UAE Initial Comments
--	--

UAE files these initial comments on the Subscriber Solar program proposed by Rocky Mountain Power ("RMP") in this docket.

UAE does not object in principle to an optional solar subscription program for customers. However, UAE is concerned with several aspects of RMP's proposal, which require revision or further discussion before UAE can support the program as proposed. UAE's concerns include the following:

1. The proposal may create a potential for unreasonable cross subsidization from non-participating customers. In particular, as noted in the direct testimony of RMP witness Paul H. Clemens:

If the Program is not 100 percent subscribed, solar resource costs will continue to be situs assigned to Utah, and the solar resource benefits will continue to be situs assigned to Utah. The Program rates have been designed to cover the forecasted difference between those costs and benefits assuming a 100 percent subscription rate (after the expected ramp period). *If a lower subscription rate occurs, the difference for the unsubscribed portion of the solar resource will be attributed to all Utah customers.* This difference may be positive or negative depending on the actual impact to net power costs during the times the Program is not 100 percent subscribed. [Lines 503-511] [Emphasis added].

UAE is concerned about the use of non-participants as a backstop for recovery of program costs, including under-subscription. Similar non-participant cost assurances are not available to other customers utilizing Schedule 32 and may not be appropriate here.

2. Participation in the proposed Subscriber Solar Program should not count against the 300 MW cap on Senate Bill 12/Schedule 32 resources. RMP proposes that large non-residential customers that participate in the Subscriber Solar Program should do so in conjunction with Schedule 32. While UAE does not object to packaging the Subscriber Solar Program with Schedule 32, UAE recommends that any participation in the Subscriber Solar Program not count toward the 300 MW cap on Schedule 32.

The proposed accounting for the program would co-mingle program costs with other generation costs allocated to Utah. For example:

If the solar resource is a PPA, the PPA costs and benefits will be included in net power costs for Utah, and the impact will be situs assigned to Utah [Clemens, lines 460-461].

And:

If the solar resource is a Company-owned resource, the costs associated with the resource will be assigned to the standard asset accounting categories but will be situs assigned to Utah (instead of system assigned). The energy benefits of the resource will flow through net power costs and will also be situs assigned to Utah [Clemens, lines 475-479].

Yet, SB 12, which is the source of the 300 MW cap on Schedule 32 service, also provides that for purposes of the Act, a renewable energy facility “does not include an electric generating facility whose costs have been included in a qualified utility’s rates as a facility providing electric service to the qualified utility’s system.” URC 54-17-801(4)(b).

Thus, the structure of cost accounting and recovery for the proposed Subscriber Solar Program appears to fall outside the parameters established by SB 12. Therefore, participation in the program should not count toward the 300 MW SB12/Schedule 32 cap.

3. The “utility generation cost” component of the Solar Block Generation Charge requires greater explanation. The Company’s testimony does not clearly explain the purpose of this component, its nexus to cost, nor its relationship to Schedule 32, which, UAE notes, is not merely a delivery charge, but a shaping charge as well. Moreover, if the “utility generation cost” component has the effect of providing a shaping benefit that mitigates the effect of Schedule 32 shaping costs, then the Commission should consider whether this product should also be

available on a non-discriminatory basis to Schedule 32 customers that acquire their resources from non-RMP sources.

4. Greater clarification is needed with respect to the proposed treatment of the revenue credit for Schedule 32 customers. The Company's proposal would apply this revenue credit to all Utah rate schedules, whereas the revenue credit from residential participants will be applied only to residential customers. If the Schedule 32 revenue credit is applied to all customers, then the loads of participating Schedule 32 customers must be removed from their respective rate schedules for cost allocation purposes. Whether this would properly occur is not clear in the Company's presentation.
5. The proposed administrative and marketing fees for the program require further support and evaluation.

DATED this 12th day of August 2015.

HATCH, JAMES & DODGE

/s/

Gary A. Dodge
Attorneys for UAE

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 12th day of August 2015 on the following:

Rocky Mountain Power:

Jeff Richards	jeff.richards@pacificorp.com
Yvonne Hogle	yvonne.hogle@pacificorp.com
Jeff Larsen	jeff.larsen@pacificorp.com
Bob Lively	bob.lively@pacificorp.com

Division of Public Utilities:

Patricia Schmid	pschmid@utah.gov
Justin Jetter	jjetter@utah.gov
Chris Parker	chrisparker@utah.gov
Artie Powell	wpowell@utah.gov
Dennis Miller	dmiller@utah.gov

Office of Consumer Services:

Rex Olsen	rolsen@utah.gov
Michele Beck	mbeck@utah.gov
Cheryl Murray	cmurray@utah.gov
Bela Vastag	bvastag@#utah.gov

Utah Clean Energy:

Sophie Hayes	sophie@utahcleanenergy.org
Meghan Dutton	meghan@utahcleanenergy.org
Sarah Wright	sarah@utahcleanenergy.org
Kate Bowman	kate@utahcleanenergy.org

Salt Lake City:

Tyler Poulson	tyler.poulson@slcgov.com
---------------	--------------------------

/s/

Gary A Dodge