

June 22, 2017

***VIA ELECTRONIC FILING***

Public Service Commission of Utah  
Heber M. Wells Building, 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City, UT 84114

Attn: Gary Widerburg  
Commission Secretary

RE: **Subscriber Solar Program Status Report**  
Docket No. 15-035-61

Pursuant to the Amended Settlement Agreement filed October 8, 2015 in the above referenced docket, Rocky Mountain Power (the “Company”) agreed to file a report updating the Subscriber Solar Program (“Program”) subscription rate and other material program statistics six months after Program launch, and annually thereafter.

Accordingly, enclosed for electronic filing is a Status Report with summary details regarding Program operations from January 1, 2017 through May 31, 2017. Additionally, for consistency with the timing of the Company’s Blue Sky Annual Report, the Company proposes to submit the Subscriber Solar Annual reports by March 31<sup>st</sup> each year, beginning in March 2018, and include information from the previous calendar year. This will align the Subscriber Solar and Blue Sky Annual Reports.

It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)  
[michael.snow@pacificorp.com](mailto:michael.snow@pacificorp.com)

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah Blvd., Suite 2000  
Portland, OR 97232

Informal inquiries regarding this matter may be directed to me at (801) 220-4214.

Sincerely,

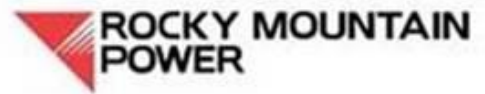


Michael S. Snow  
Manager, Customer Solutions Regulatory Affairs

Enclosures



Subscriber Solar Program



**SUBSCRIBER SOLAR STATUS REPORT  
JANUARY 1, 2017 – MAY 31, 2017**

**ISSUED JUNE 22, 2017**

**INTRODUCTION**

The Subscriber Solar Program (“Program”) was successfully implemented January 1, 2017, after nearly two years of planning, design and project implementation. This report provides summary details regarding the project launch and program operations during the first five months of 2017, pursuant to the Amended Settlement Agreement filed October 8, 2015 and approved by the Commission in its Order issued October 21, 2015 in Docket No. 15-035-61. Appendix A to this report is a Program Dashboard report with more granular detail.

**PROJECT MILESTONES ACHIEVED**

The table below describes the milestones that were achieved during the project launch of the Program.

**Table 1 – Project Launch Milestones**

<b>Milestone</b>	<b>Due Date</b>	<b>Completion Date</b>	<b>Notes</b>
Achieve greater than 90% subscription for first year of program	December 31, 2016	November 2, 2016	Average Subscription rate for first 5 months: 94.1%
20 MW Solar Plant in service	December 31, 2016	December 7, 2016 In service; December 30, 2016 on-line.	Testing conducted December 7-30, 2016 until on-line date of December 30, 2016.
Billing system updates implemented under budget of \$960,000	December 1, 2016	November 30, 2016	Under budget at \$848,972. Additional fine tuning required minimal expense in 2017.

## PROGRAM STATUS SUMMARY

### Subscription Status

Subscription Level: 99.7% (19,943 of 20,000 Blocks)

**Figure 1 – Subscription Status**

Rate Schedule	# Blocks
1 (Residential)	6773
3 (Residential)	69
6 (Commercial Service)	981
23 (Small Commercial)	891
6A (Commercial TOU)	11229
<b>Grand Total</b>	<b>19943</b>

Residential: 34.3% (6,842 Blocks)

Commercial: 65.7% (13,101 Blocks)

All Subscriber Solar blocks were sold by November 2, 2016; however, on December 31, 2016, a large community customer subscription of approximately 500 blocks was canceled. At the time of the cancellation, there were approximately 300 blocks in the waitlist. All customers on the waitlist were subscribed at that time, starting the year with a subscription rate of approximately 98 percent. Between January and May 2017, as cancellations have occurred and new participants have subscribed, the subscription rate has ranged from 92 to 99.8 percent, resulting in an effective subscription rate of 94.1 percent for the first five months of 2017. As of May 31, 2017, the Program is 99.7 percent subscribed.

Subscribers received their first billing in February 2017, covering usage between January and February. The decision was made to wait until February to enroll customers to ensure usage prior to January 1, 2017 was not billed on the Program. Therefore, first revenues were not recorded until the end of February (with the exception of one account that billed January 1-January 31, 2017) as reflected in Appendix A.

### Solar Plant Generation

In-Service Date: December 7, 2016

Effective On-line Date: December 30, 2016

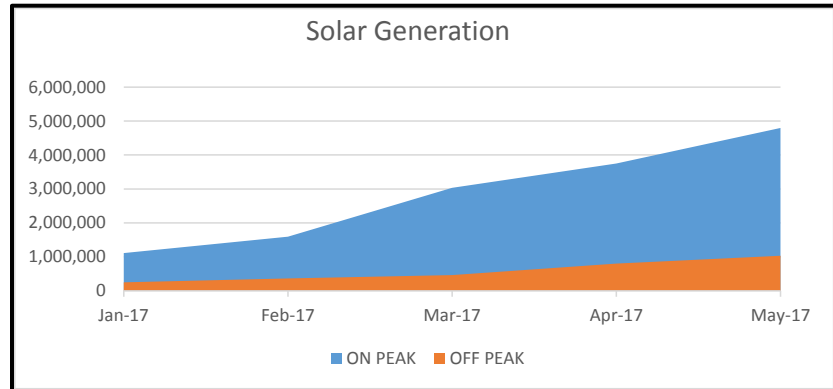
Generation Year to Date (May 31, 2017): 17,196,333 kWh

Unsold Generation: 2,138,973 kWh

The Subscriber Solar Plant has more than 81,000 panels installed and has generated the volume of energy originally forecasted, which is sufficient to cover the energy purchased by subscribers. Figure 2 below is a snapshot of the solar generation by month.

**Figure 2 – Solar Generation**

The Renewable Energy Certificates (RECs) produced by the renewable energy generation are auto-transferred to the Company’s WREGIS account and will be retired on behalf of subscribers twice per year. This schedule will enable



the Company to transfer RECs to customer WREGIS accounts if necessary, as allowed by the tariff. No customers have requested to have the RECs transferred to their own WREGIS accounts as of the date of this report.

Revenues Collected

The revenues collected to offset the expenses, subscription costs and generation for the first five months equals \$953,424.00, as shown in Table 2 below.

**Table 2 – Revenues Collected**

	RESIDENTIAL	COMMERCIAL	TOTAL \$
Jan-17		\$74.70	\$74.70
Feb-17	\$84,015.90	\$132,741.90	\$216,757.80
Mar-17	\$88,022.25	\$158,177.25	\$246,199.50
Apr-17	\$88,948.80	\$165,186.60	\$254,135.40
May-17	\$89,260.70	\$146,995.91	\$236,256.60
<b>TOTAL \$</b>	<b>\$350,247.65</b>	<b>\$603,176.36</b>	<b>\$953,424.00</b>

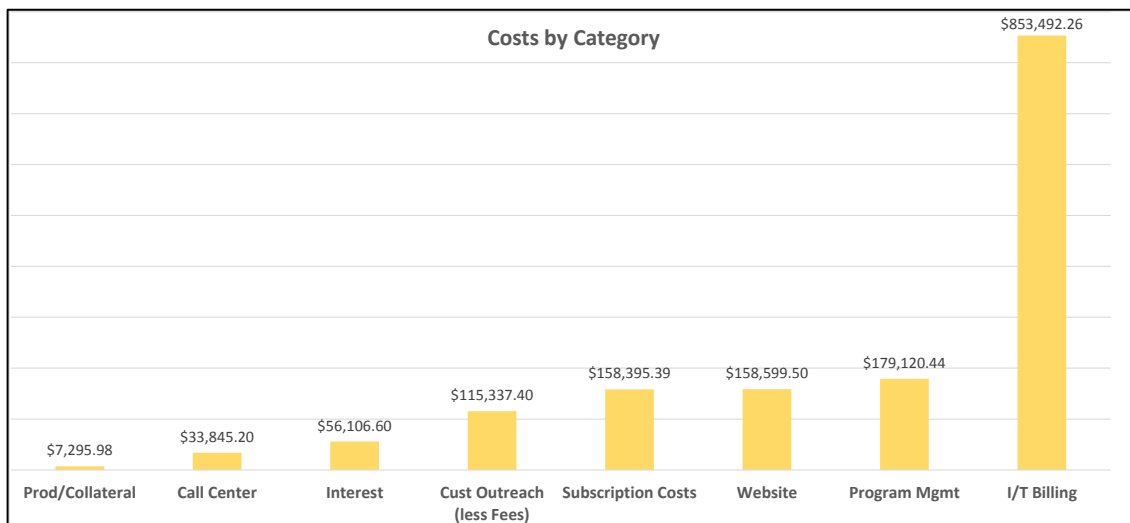
Project and Program Expenses

The total net project expenses for launching the program, including program administration and marketing costs through May 2017 were **\$1,403,797.38**. This includes interest expense of \$56,106.60 that has been charged to the program (2015-2016 interest rate: 4.45%, 2017 interest

rate: 4.19%). This amount also includes a credit of \$2,200 related to early cancellation fees that have been charged to customers that have cancelled their blocks after the 30-day grace period from the date they received their first bill.

Figure 3 below shows the total expenses incurred by category since the project was launched in late 2015, followed by a general definition of each category.

**Figure 3 – Costs by Category**



### Expense Category Definitions

*Program Management:* Program Manager labor costs and labor for support personnel.

*Call Center:* Labor and training costs of call center agents to answer questions and enroll customers in program.

*I/T Billing:* Labor costs related to programming the billing system to accommodate the billing components for program.

*Customer Outreach:* Development and delivery of communications materials and any promotional activities related to the program.

*Products/Collateral:* Costs related to printed brochures or media not related to a specific outreach activity, and any promotional gifts/swag.

*Marketing Website:* Development and maintenance of digital websites.

Program Reconciliation

The reconciliation of all revenues, expenses and generation costs are shown in Table 3 below.

**Table 3 – Reconciliation**

<b>JAN-MAY 2017 - DETAIL SUMMARY</b>					
<b>Energy</b>	<b>Sold</b>	<b>Purchased</b>	<b>UNSOLD</b>	<b>Unsold Value</b>	
	15,057,360	17,196,333	2,138,973	\$112,937.77	
<b>Rev/Expense</b>	<b>REVENUES -</b>	<b>EXPENSES -</b>	<b>GENERATION -</b>	<b>Unsold kWh =</b>	<b>BALANCE</b>
	\$953,424.00	\$1,403,797.38	\$ 906,991.38	\$112,937.77	<b>-\$1,470,302.54</b>

As shown above, the program is currently in a deficit position of approximately \$1.47 million, which is in line with original expectations. As revenues increase and expenses decrease over the next two years, the program balance is expected to balance to a break-even point.

**PLANNED ENGAGEMENT ACTIVITIES IN DEVELOPMENT**

This section describes the customer engagement strategies planned for Subscriber Solar customers.

The objectives of the customer engagement strategy are to:

- 1) Recognize and retain customers currently subscribed on the program;
- 2) Attract new customers to the program through promotional/marketing activities that engage and recognize current subscribers;
- 3) Build a waitlist of customers that are interested in the program, gathering a minimum of 500 reservations to enable the company to explore building another offering; and
- 4) Demonstrate the Company’s commitment to the development of renewable energy solutions.

**Table 4 – Customer Engagement Strategy Key Initiatives**

<b>Title</b>	<b>Description</b>	<b>Audience/Sequence – Communications Plans to be developed</b>
“Name your Panels” website	Website portal that enables customers to sign/name panels that are attributed to the generation they have purchased in the program	1) Employee Subscribers 2) Commercial Subscribers 3) Residential Subscribers
Employee Updates	Periodic article/email to employees to update on status of program to enable them to promote and sell any available blocks to prospective customers.	1) All Utah Employees

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Title	Description	Audience/Sequence – Communications Plans to be developed
Customer Spotlights	Periodic email newsletter that provides a status of the program and a 'spotlight' article on a commercial and residential subscriber	1) All Subscribers
Award (Confidential)	Subscriber Solar has received an award which will be announced later in 2017. Promotional activities will accompany the award announcement.	1) Executive sponsors 2) RMP Employees 3) All Subscribers and Non-Subscribers
Recognition SWAG	Design branded promotional SWAG for customer recognition milestones: 1) Subscriber Anniversaries 2) Subscriber Carbon Footprint achievements 3) Program milestones	1) All Subscribers 2) External Communications
Customer Outreach Campaign	Participation in valuable outreach events and creation of marketing pulses and activities to increase customer interest and to gain support of company's renewable efforts	1) Employee Subscribers 2) Employee non-Subscribers 3) All Schedule 1, 3, 23, 6 and 6A non-Subscribers

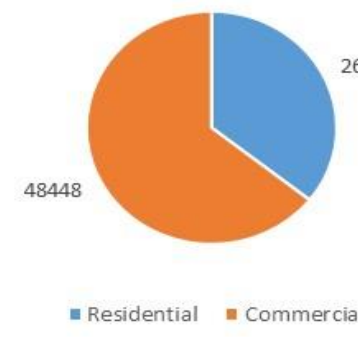
# Appendix A



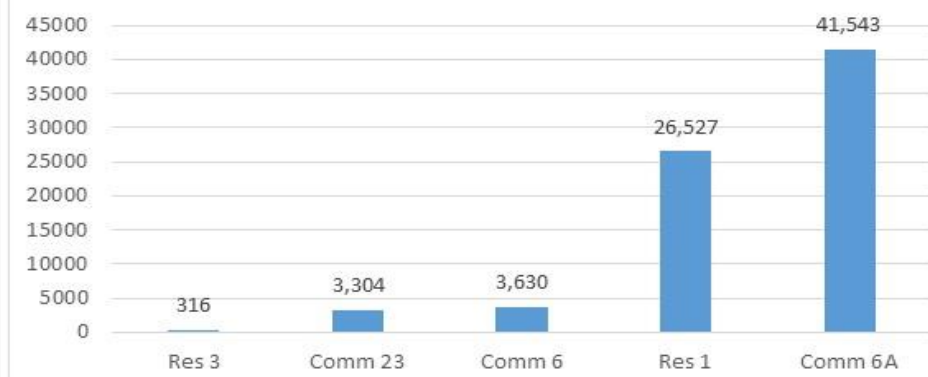
# 2017 Subscriber Solar Dashboard

## BLOCKS INVOICED

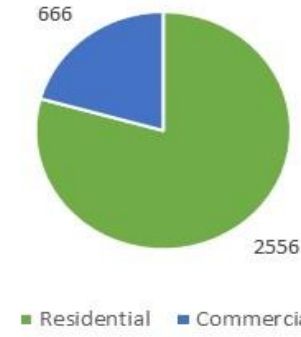
Blocks by Customer Type



Blocks by Schedule

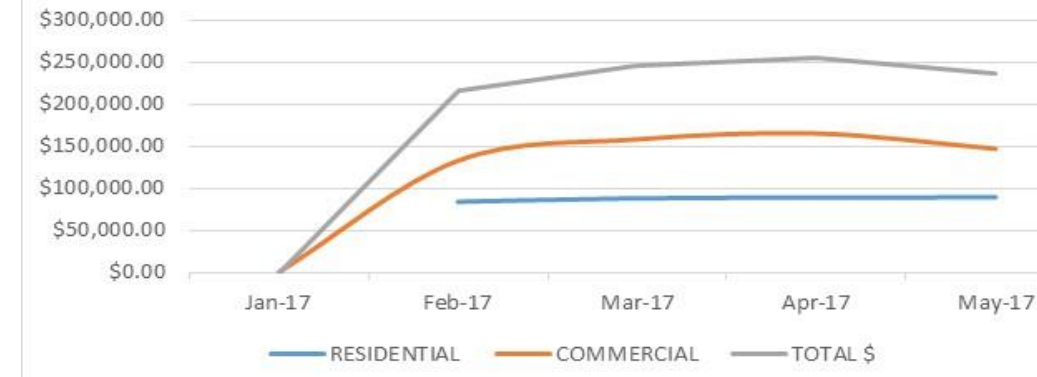


Meter Counts by Type



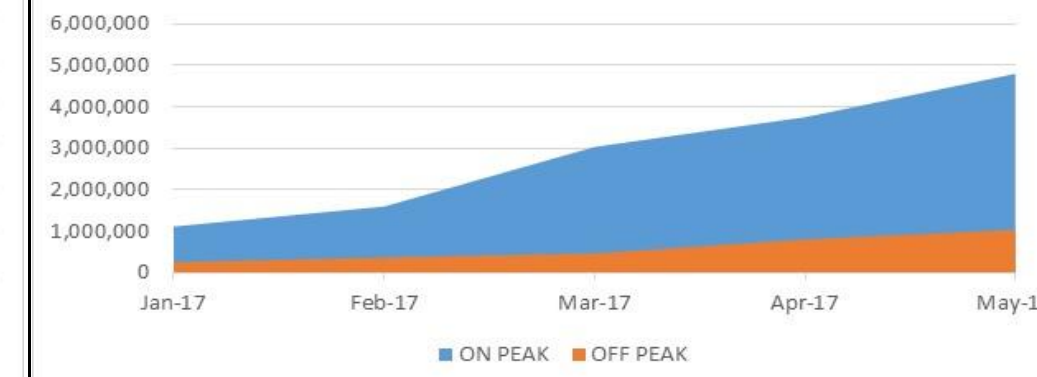
## REVENUES

Revenues by Type



## ENERGY GENERATED

Solar Generation



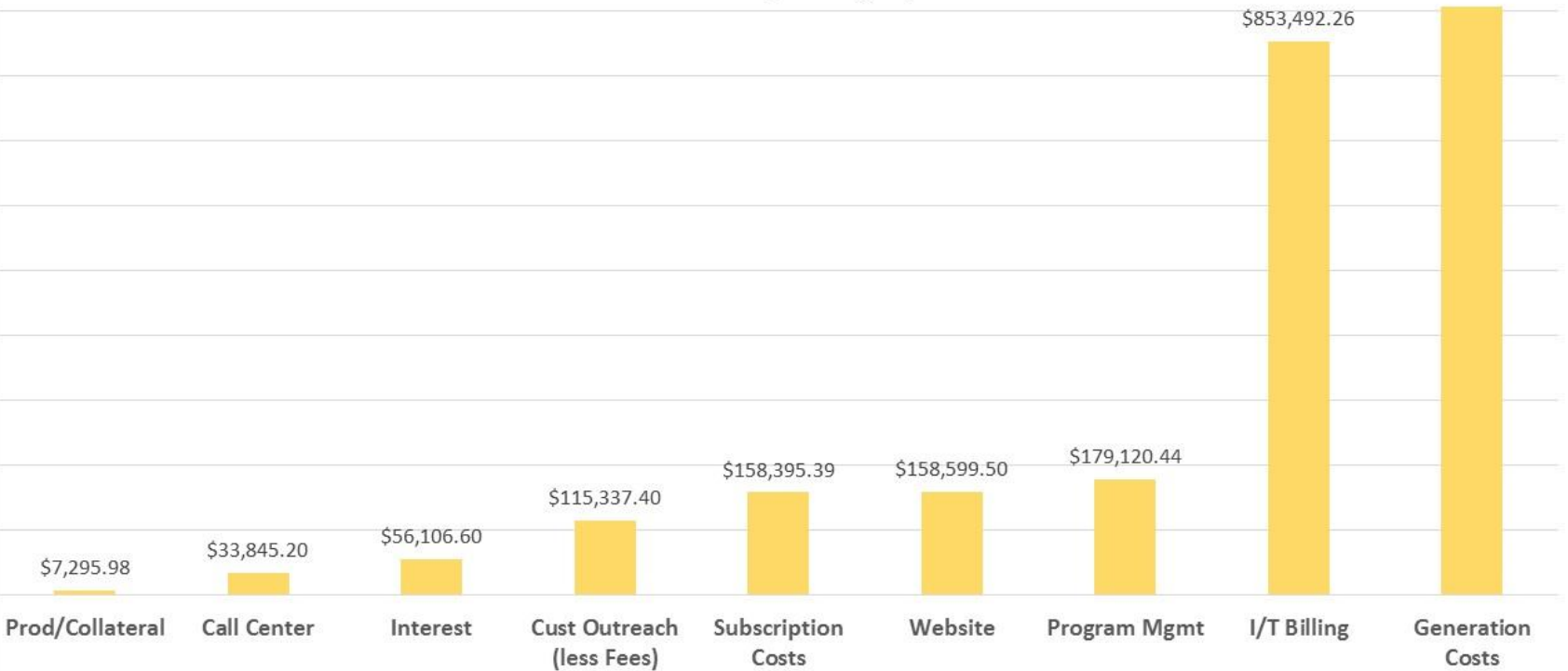
	RESIDENTIAL		COMMERCIAL			TOTAL BLOCKS	
	1	3	23	6	6A	RESIDENTIAL	COMMERCIAL
Jan-17	0	0	0	0	6	0	6
Feb-17	6,368	70	647	661	9,354	6,438	10,662
Mar-17	6,663	82	829	987	10,889	6,745	12,705
Apr-17	6,739	77	857	987	11,424	6,816	13,268
May-17	6,756	84	948	989	9,870	6,840	11,807
<b>TOTAL Blocks</b>	<b>26,527</b>	<b>316</b>	<b>3,304</b>	<b>3,630</b>	<b>41,543</b>	<b>26,839</b>	<b>48,448</b>
<b>TOTAL KWH</b>	<b>5,305,380</b>	<b>63,200</b>	<b>660,780</b>	<b>726,000</b>	<b>8,308,600</b>	<b>5,367,780</b>	<b>9,689,580</b>
						Residential & Comm:	<b>15,057,360</b>

	RESIDENTIAL	COMMERCIAL	TOTAL \$
Jan-17	\$0	\$74.70	\$74.70
Feb-17	\$84,015.90	\$132,741.90	\$216,757.80
Mar-17	\$88,022.25	\$158,177.25	\$246,199.50
Apr-17	\$88,948.80	\$165,186.60	\$254,135.40
May-17	\$89,260.70	\$146,995.91	\$236,256.60
<b>TOTAL \$</b>	<b>\$350,247.65</b>	<b>\$603,176.36</b>	<b>\$953,424.00</b>

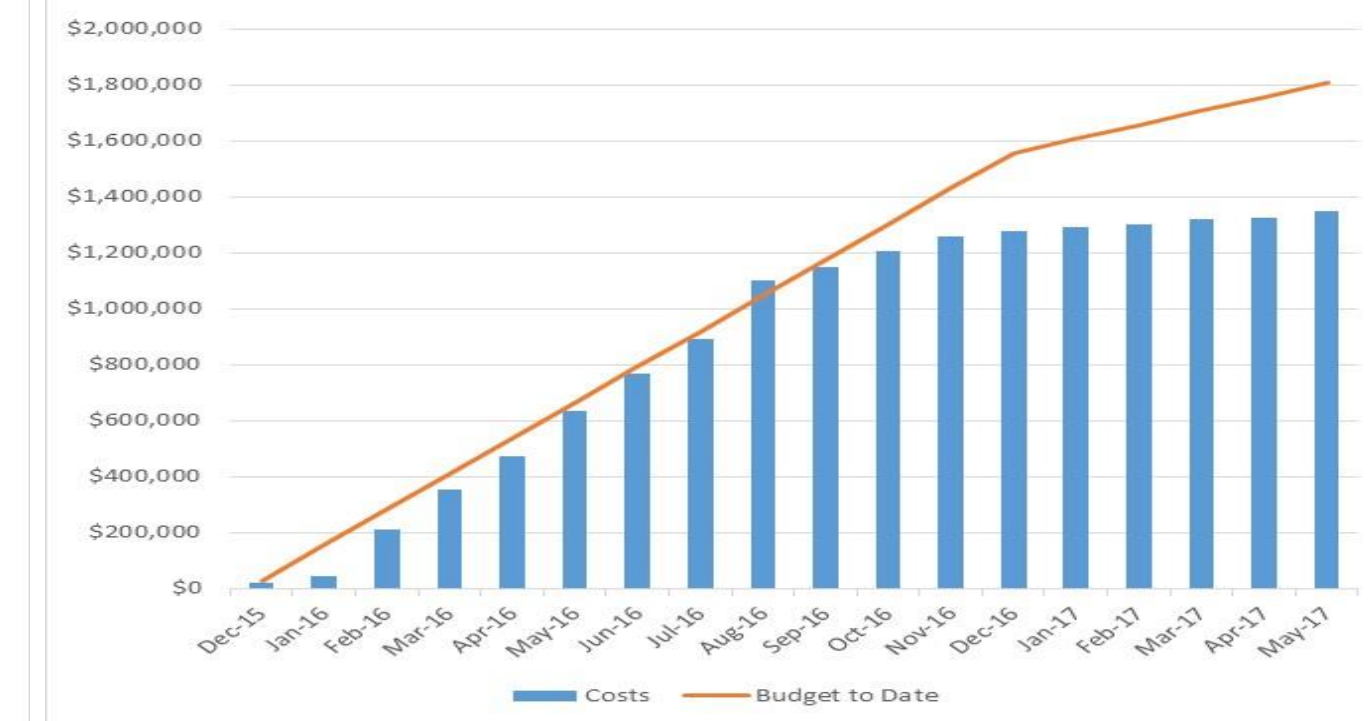
	ON PEAK	OFF PEAK	TOTAL KWH
Jan-17	1,111,337	249,210	1,360,547
Feb-17	1,594,272	364,293	1,958,565
Mar-17	3,033,670	462,882	3,496,552
Apr-17	3,749,570	801,746	4,551,316
May-17	4,796,903	1,032,450	5,829,353
<b>TOTAL KWH</b>	<b>14,285,752</b>	<b>2,910,581</b>	<b>17,196,333</b>

## EXPENSE DETAIL

Costs by Category



Cumulative Costs Compared to Budget



## COST OF GENERATION

	GENERATION
Jan-17	\$71,641.88
Feb-17	\$103,217.23
Mar-17	\$184,422.95
Apr-17	\$240,114.48
May-17	\$307,594.84
<b>TOTAL COGS</b>	<b>\$ 906,991.38</b>

	PROGRAM ADMIN & BILLING SETUP			TOTAL ADMIN	MARKETING			TOTAL MKTG	TOTAL EXP
	Program Mgmt	Call Center	I/T Billing		Cust Outreach	Prod/Collateral	Website		
<b>2015</b>	<b>\$14,403.35</b>			<b>\$14,403.35</b>		<b>\$7,279.47</b>		<b>\$7,279.47</b>	<b>\$21,682.82</b>
Jan-16	\$17,946.30	\$321.48	\$2,885.52	\$21,153.30			\$0.00	\$21,153.30	\$21,153.30
Feb-16	\$16,669.25	\$1,038.32	\$148,869.58	\$166,577.15			\$0.00	\$166,577.15	\$166,577.15
Mar-16	\$13,554.93	\$2,072.52	\$122,968.33	\$138,595.78	\$4,047.84		\$4,047.84	\$142,643.62	\$142,643.62
Apr-16	\$19,674.10	\$4,755.18	\$96,301.89	\$120,731.17	\$395.66		\$395.66	\$121,126.83	\$121,126.83
May-16	\$19,685.47	\$13,915.59	\$119,732.24	\$153,333.30	\$9,918.44		\$9,918.44	\$163,251.74	\$163,251.74
Jun-16	\$18,128.00	\$3,715.21	\$81,912.57	\$103,755.78	\$9,194.21		\$28,513.96	\$132,269.74	\$132,269.74
Jul-16	\$12,724.71		\$86,072.75	\$98,797.46	\$25,454.80		\$25,454.80	\$124,252.26	\$124,252.26
Aug-16	\$2,060.00		\$75,972.64	\$78,032.64	\$9,416.86		\$128,496.61	\$206,529.25	\$206,529.25
Sep-16	\$4,120.00		\$44,287.64	\$48,407.64	\$3,066.95		\$3,066.95	\$51,474.59	\$51,474.59
Oct-16	\$5,541.39		\$42,445.24	\$47,986.63	\$6,044.81		\$6,044.81	\$54,031.44	\$54,031.44
Nov-16	\$6,222.93		\$21,774.97	\$27,997.90	\$24,250.15		\$24,250.15	\$52,248.05	\$52,248.05
Dec-16	\$4,532.00	\$225.32	\$5,748.79	\$10,506.11	\$11,363.20		\$11,363.20	\$21,869.31	\$21,869.31
<b>2016</b>	<b>\$140,859.08</b>	<b>\$26,043.62</b>	<b>\$848,972.16</b>	<b>\$1,015,874.86</b>	<b>\$103,152.92</b>	<b>\$0.00</b>	<b>\$138,399.50</b>	<b>\$241,552.42</b>	<b>\$1,257,427.28</b>
Jan-17	\$4,784.00	\$5,809.16	\$1,998.01	\$12,591.17	\$2,186.53		\$2,186.53	\$14,777.70	\$14,777.70
Feb-17	\$5,200.00	\$1,511.10	\$521.39	\$7,232.49	\$1,451.00		\$1,451.00	\$8,683.49	\$8,683.49
Mar-17	\$6,757.01	\$481.32	\$1,519.05	\$8,757.38	\$8,024.69		\$8,024.69	\$16,782.07	\$16,782.07
Apr-17	\$3,386.00		\$444.60	\$3,830.60	\$1,888.93		\$1,888.93	\$5,719.53	\$5,719.53
May-17	\$3,731.00		\$37.05	\$3,768.05	\$833.33	16.51	\$20,200.00	\$21,049.84	\$24,817.89
<b>2017</b>	<b>\$23,858.01</b>	<b>\$7,801.58</b>	<b>\$4,520.10</b>	<b>\$36,179.69</b>	<b>\$14,384.48</b>	<b>\$16.51</b>	<b>\$20,200.00</b>	<b>\$34,600.99</b>	<b>\$70,780.68</b>
<b>TOTAL EXPENSE</b>	<b>\$179,120.44</b>	<b>\$33,845.20</b>	<b>\$853,492.26</b>	<b>\$1,066,457.90</b>	<b>\$117,537.40</b>	<b>\$7,295.98</b>	<b>\$158,599.50</b>	<b>\$283,432.88</b>	<b>\$1,349,890.78</b>

	INTEREST EXPENSE	LESS Cancellation Fees
<b>2015</b>	\$40.20	
<b>2016</b>	\$32,832.73	
<b>2017</b>	\$23,233.67	-\$2,200.00
<b>TOTAL INTEREST</b>	<b>\$56,106.60</b>	
<b>Total Net Expense</b>	<b>\$1,403,797.38</b>	

## JAN-MAY 2017 - DETAIL SUMMARY

Energy	Sold	Purchased	UNSOLD	Unsold Value	
	15,057,360	17,196,333	2,138,973	\$112,937.77	
Rev/Expense	REVENUES -	EXPENSES -	GENERATION -	Unsold kWh =	BALANCE
	\$953,424.00	\$1,403,797.38	\$ 906,991.38	\$112,937.77	<b>-\$1,470,302.54</b>

## CERTIFICATE OF SERVICE

I hereby certify that on this 22<sup>nd</sup> day of June, 2017, a true and correct copy of the foregoing was served by email on the following:

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William Powell (C)  
Erika Tedder (C)  
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