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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: June 29, 2016

Re: In the Matter of Rocky Mountain Power's Solar Photovoltaic Incentive Program (Schedule 107) 2016 Annual Report - Docket No. 16-035-21.

Background

On June 1, 2016 Rocky Mountain Power (Company) filed its Solar Photovoltaic Incentive Program (Schedule 107 or Program) Annual Report (2016 Report) which presents program results through May 20, 2015. On June 2, 2016 the Public Service Commission (Commission) issued a notice of filing and comment period inviting interested parties to submit comments on PacifiCorp's report on or before Friday, July 1, 2016, and reply comments on or before Friday, July 15, 2016. Accordingly, the Office submits the following comments on the 2016 Report.

The 2016 Report is submitted in compliance with the Commission's October 1, 2012 Order providing authority for the Company to implement a Solar Incentive Pilot Program and requiring that the Company provide annual reports on the Program.

Pursuant to the October 1, 2012 Order the solar photovoltaic incentive program annual reports are to include but not be limited to: the number of applicants, the number and size of completed installations, the total installed costs of all completed installations, generation data for large systems, and the number, if any, of surrendered deposits. The 2106 Report provides information from the 2013 Program Year as well as updates on the status of the 2014, 2015, and 2106 Program Years. The Company notes that as a result of Senate Bill 115, particularly Section 54-7-12.8(4)¹ the Program will end and the Company will stop taking new applications for solar incentive program incentives as of December 31, 2106.

¹ Senate Bill 115 passed in the 2016 Utah state legislature.

Discussion

Compliance with Commission Reporting Requirements

As required by the Commission's October 1, 2012 Order the 2016 Report includes: the number of applicants, the number and size of completed installations, the total installed costs of all completed installations, generation data for large systems and the number of surrendered deposits. The Company also reports on the dollar value of those surrendered deposits.

Surrendered Deposits

In comments related to the 2015 Report the Office requested that the Company include a line item for Surrendered Deposits in the program Account Summary. The Company has included this information in the 2016 Report with the total amount recorded under the year 2016. It is the Office's view that including surrendered deposits in the Account Summary makes the disposition of surrendered deposits more clear.

Generation Data for Large Systems

Attachment B to the 2016 Report provides large non-residential production data. Twenty-four participants are listed in this category. Previously the Company has stated that there were problems with production meters on two large non-residential projects. The Office recommends that in future reports the Company affirm that the production meter issues have been resolved or identify steps that are being taken to remedy the situation.

The Office notes that there are some discrepancies between the 2015 Report and the 2016 Report for the information provided in Attachment B.² A data request has been issued to reconcile the differences.

Cool Keeper Program Participation

The Schedule 107 Tariff requires that participants on Residential Service Schedules 1, 2, 3, and 25, and Non-Residential Service Schedule 6, 6A, 6B, 8, 9, and 23 that are eligible to participate in the Company's Cool Keeper Program are required to participate in that program in order to be eligible to receive an incentive under this Schedule (107).

In comments regarding the 2015 Report the Office stated, "The Office inquired if the solar incentive recipients that are eligible to participate in the Cool Keeper program are in fact being required to participate prior to receiving a solar incentive. It seems to be a somewhat self policing action as the application for the solar incentive asks the customer if they are eligible to participate in Cool Keeper." The Company indicated it was researching the issue

² The Office views these differences as minor.

to determine if the requirement is being met or if additional steps need to be taken to ensure participation where appropriate.

Regarding the 2016 Report the Office again pursued this issue through a data request (OCS 1.2). Based on that response it would appear that not all eligible customers receiving solar incentive funds are participating in the Cool Keeper Program. The question and the response went to eligible customers by schedule that *enrolled* in the Cool Keeper Program each year. The Office is concerned that there are customers who were eligible to participate in the Cool Keeper Program who did not participate but nevertheless received solar incentive funds. A follow-up data request has been issued in order to ascertain the number of solar incentive award recipients who should have been enrolled in the Cool Keeper Program.

Renewable Energy Credits (RECs)

Attachment A of the 2016 Report includes columns identifying the *assumed* RECs per customer. The 2016 Report does not include a discussion related to RECs. The Office has issued a data request asking about the Company's share of RECs and any revenue received for those RECs. The Office recommends that future reports include a brief discussion related to the Company's share of RECs, any disposition of RECs and revenue received.

Concluding Comments

The Office believes that the 2016 Report complies with current Commission requirements. As noted above the Office is has several outstanding data requests related to the 2016 Report however the requested information does not relate specifically to report requirements. Once those responses are received the Office may submit additional comments on July 15, 2016 as reply comments.

Recommendations

The Office recommends that the Commission acknowledge the Company's 2016 Report as meeting the Commission's reporting requirements.

The Office also recommends that in future reports the Company include a brief discussion related to the Company's share of RECs from Solar Incentive Program projects.

CC: Chris Parker, Division of Public Utilities
Jeffrey K. Larsen, Rocky Mountain Power