



1407 West North Temple, Ste. 310  
Salt Lake City, Utah 84116

September 2, 2016

***VIA ELECTRONIC FILING  
AND OVERNIGHT DELIVERY***

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

Attention: Gary Widerburg  
Commission Secretary

RE: In the Matter of Rocky Mountain Power's Solar Photovoltaic Incentive Program (Schedule 107) 2015 Annual Report.  
Docket No. 16-035-21

Dear Mr. Widerburg:

Pursuant to the Notice of Filing and Comment Period issued by the Public Service Commission of Utah, on July 19, 2016, in the above referenced matter, Rocky Mountain Power ("Company") hereby submits reply comments responding to the comments ("Comments") filed by the Utah Office of Consumer Services ("Office") July 15, 2016.

The Company appreciates parties' comments and their evaluation of the 2016 Annual Report on Rocky Mountain Power's Solar Photovoltaic Incentive Program (Schedule 107) ("USIP"). The Office raises concerns regarding two issues in its Comments: 1) generation data for large systems and 2) Cool Keeper program participation. The Company responds to the Office's concerns below.

I. Generation Data for Large Systems

In its Comments, the Office references delays that have occurred with the installation of production meters at sites participating in the large non-residential program sector. The most common delay is occurring because contractors forget or otherwise fail to install the production meter base at the time of the installation. While the production meter requirement has been included in the Current Program (defined in II. below) rules from the beginning, in some cases the contractor fails to include this additional equipment and installation as it builds the system. The solar installation is completely operational, so at that point the Company allows it to begin operations. The Company will then work with the customer and the contractor to have the additional equipment installed.

There have also been challenges related to meter location and access issues for projects installed for customers receiving service at transmission voltage. In these cases, the solar system is typically not located near the point of common coupling where the revenue meter is located for the service and discussions must be held to negotiate the specifics of the production meter location. The issues vary at each site but typically include the identification of a mutually agreeable production metering location, security access for metering personnel to read the production meter, and the configuration of the production meter base to allow Company metering. The negotiations often involve complex issues and can take additional time.

In the cases when the system is installed and operational but the production metering has not been completed, the Company has attempted to minimize the impacts of the delays on participating customers. Under Schedule 107, the first payment is made after installation, and each of the remaining four additional payments is paid annually after confirmation that the systems are performing within 85% of their anticipated output. Thus, the first payment is not subject to potential reduction related to performance. With this in mind, the Company has made the first payment to customers at the time of system interconnection, and delays the second and subsequent payments until it collects 12 months of production data to confirm the output requirements. This procedure minimizes potential negative impacts on customers, while ensuring compliance with the production requirements.

## II. Cook Keeper Program Participation.

In general, the Company disagrees with the Office's assertion that the Company has been imprudently managing USIP. From the beginning, parties desired that the Current Program (defined below), as compared to the original program, be more cost effective, reach greater program participation, and achieve increased kWhs produced by solar power with reduced program implementation costs. By these standards, the Company's management of the Current Program has been a resounding success. For example the Company has interconnected 775 projects with a total capacity of 15,604 kW of capacity over the four years of the program, the Company has automated the process which has allowed 10,724 customers to apply for participation, at this point distributing a total of \$8,167,237 of incentives.

The Company acknowledges that parties also desired program participants to implement additional Demand Side Management measurements. To that end, during the workshops that led to the Current Program, parties agreed to add the following language, in part, to Schedule 107:

8. Demand Side Management. Program participants on Residential Service Schedules 1, 2, 3, and 25, and Non-Residential Service Schedules 6, 6A, 6B, 8, 9 and 23 that are eligible to participate in the Company's Cook Keeper Program are required to participate in the Company's Cool Keeper Program in order to be eligible to receive an incentive under this schedule.

Aside from this language, there is no additional guidance or insight in Schedule 107 about the enforcement or management of the requirement. However, during the hearing in which the Current

Program was considered for approval, the Office's witness referenced this requirement in her testimony stating, in part:

Residential and small commercial customers desiring to participate in the solar program must agree to participate in the Cool Keeper program if eligible. Along those same lines, the Office has previously taken the position that requiring cost effective DSM measures prior to adding solar systems ensures that ratepayer dollars are better spent as it minimizes the extent to which the resources receiving incentives are serving inefficient loads. And we believe that this is an area that should be monitored. And if it becomes feasible to require implementation of DSM or energy efficiency measures, those requirements should become part of this program or subsequent programs.<sup>1</sup>

To that end, after the Commission approved the USIP in its current form in October 2012 ("Current Program"), the Company held workshops for customers and solar developers. At these workshops customers and solar developers were provided program details including the requirement that all Current Program participants must also participate in the Cool Keeper program, if eligible. Consistent with this message, the applications created and used by customers to sign up for the Current Program request information about customers' eligibility, and whether customers have signed up, for Cool Keeper.

Currently, when customers call inquiring about the Current Program, the Company reminds them that to participate in the Current Program, they must participate in Cool Keeper, if they are eligible. Outside of this level of monitoring, the Company assumes customers' awareness of the requirements of the Current Program when they fill out the applications. Before this year, the Company did not verify that customers met this requirement. The Company was mindful of parties' concerns about program costs, and determined that additional oversight to ensure compliance with the requirement would have required additional time and resources, running counter to the goal of reducing program costs. Additional oversight may have also made it difficult to meet the deadlines in Schedule 107, particularly during that portion of 2013 when there was no way for Current Program participants to participate in Cool Keeper.

The Company acknowledges the Office noted an issue with the Company's level of monitoring of the Cool Keeper participation requirement in its comments in 2015. During that time, the Office correctly indicated, "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."<sup>2</sup> The Office proceeded stating, "the Company is researching the issue to determine if the requirement is being met or if additional steps need to be taken to ensure participation where appropriate."<sup>3</sup> No other party commented regarding the Office's Cool Keeper participation inquiry in 2015. Utah Clean Energy provided suggestions regarding desired program modifications that apparently shifted the focus away from that issue that was never resolved, evident in the fact that Cool Keeper

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<sup>1</sup> *In the Matter of the Investigation into Extending and Expanding the Solar Incentive Program and Possible Development of an Ongoing Program*, Docket No. 11-035-104, Tr. p. 30, ll. 3-16.

<sup>2</sup> July 15, 2015 Office Comments.

<sup>3</sup> *Id.*

participation was not mentioned in any additional comments or in the Commission's subsequent correspondence related to the 2015 Utah Solar Incentive Annual Report.

The Office inquired again this year whether participation in Cool Keeper was being monitored by the Company and to what extent. Based on the Office's concerns in its Comments and given its assertions of imprudence, the Company has increased the level of monitoring the Cool Keeper participation requirement. Pursuant to Attachment 1 to these Reply Comments, the Company has implemented certain additional steps towards verifying Cool Keeper program participation. The Company contends that this outreach campaign constitutes all appropriate measures the Company should reasonably take to ensure a customer's Cool Keeper program participation, to the extent past and current USIP Current Program participants are eligible.

The Company disagrees with the Office's interpretation of Schedule 107 and the tariff's clarity regarding the level of monitoring required to ensure Cool Keeper participation. However, in response to the Office's concerns, the Company has taken appropriate additional steps to enhance verification of a customer's participation in Cool Keeper, if eligible.

An original and ten (10) copies of this filing will be provided to the Commission via hand delivery. The Company will also provide electronic versions of this filing to [psc@utah.gov](mailto:psc@utah.gov).

The Company respectfully requests that all formal correspondence and requests for additional information regarding this filing be addressed to the following:

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

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

Informal inquiries may be directed to Bob Lively at (801) 220-4052 and to Erik Anderson at (513) 813-6730.

Sincerely,



Jeffrey K. Larsen  
Vice President, Regulation

CC: DPU, OCS and UCE