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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Rocky Mountain Power's Revisions to Schedule 135, Net Metering Service Proposal for New Schedule 135A, Net Metering-Transition Service	Docket No. 16-035-T14 INITIAL COMMENTS OF THE UNIVERSITY OF UTAH
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Through its undersigned counsel, the University of Utah submits these initial comments on Advice No. 16-13, filed by Rocky Mountain Power ("RMP"), seeking revisions to Schedule 135, Net Metering Service, and proposing a new Schedule 135A, Net Metering – Transition Service.

COMMENTS

The University of Utah opposes RMP's proposed revisions to Schedule 135 and its proposed creation of Schedule 135A on the grounds that these proposals create confusion regarding the electric rates to be applied to new residential solar customers, including those that install rooftop solar through the U Community Solar ("UCS") program. Along with Utah Clean Energy, the University of Utah facilitates and coordinates UCS, which provides both discounted pricing for residential solar installations and a simplified solar installation process. Thus far in 2016, 155 contracts for residential solar installations have been signed through the UCS, representing 939 kW

of new solar generation capacity. UCS is part of a larger campaign to help the University of Utah community access electricity generated from renewable sources.

The University of Utah's objections to RMP's proposals in this docket are twofold. First, RMP's filing creates confusion regarding electric rates for new net metering customers by denying access to the established Schedule 135 and imposing a new interim Schedule 135A which itself may (or may not) change at some point in the future in currently unpredictable ways.

Second, the December 9, 2016 date by which RMP seeks to close Schedule 135 will greatly and negatively impact UCS. For several months, UCS has been scheduled to close on December 31, 2016, such that all contracts must be signed and net metering applications must be submitted by that date. Many individuals have acted in reliance on that date and continue to show interest in installing solar consistent with that date given the number of surveys and calls that the program continues to get. It will be very difficult for the solar contractor charged with providing design, engineering, and installation services through UCS to process all program applications in time to submit net metering applications to RMP by the proposed December 9, 2016 cutoff for Schedule 135.

I. If Adopted, RMP's Proposals Would Create Confusion Regarding Electric Rates For New Net Metering Customers, Effectively Halting Activity in the Market.

RMP has proposed to immediately close Schedule 135 and create a new, interim Schedule 135A, which will be subject to future rate changes based on filings in Docket 14-035-141, or other future dockets. These proposals assume that the Commission will conclude that a new rate class should be instituted for new net metering customers. RMP makes this assumption despite the Commission's statement in its November 10, 2015 Order in Docket 14-035-141 that it has not

“conclude[ed] that a new rate class should be instituted for net metering customers.”¹ As the Commission is aware, in Docket 14-035-141, RMP has recently proposed creating a new, three-part rate structure for new net metering customers that includes a fixed monthly charge, a demand charge, and an energy charge.

In response to RMP’s submissions in Docket 14-035-141, the Commission could make any number of decisions. The Commission may, for instance, order that the data submitted does not support the imposition of a new rate class for new net metering customers. The Commission may also determine that RMP’s proposal for a new rate structure for new net metering customers must occur within the context of a yet-to-be-filed general rate case.

RMP’s request in this docket for a new tariff, the purpose of which is to eventually impose an as-yet-unknown rate structure, would, if adopted, prevent new net metering customers from knowing what rate structure will apply to them until the Commission issues rulings in the future. This uncertainty is likely to stymie the residential solar market for many months.

RMP’s proposal for a new tariff that will apply to new net metering customers does serve the purpose of providing notice to new customers that the rate structure applied to them may change. But RMP has failed to show that such notice is appropriate or necessary now, rather than at some point in the future when the Commission issues rulings on RMP’s proposals for new rates. That is, to the extent that the Commission believes it is appropriate to notify new net metering customers about changes to rate structures affecting those customers, that notice should come only when the Commission issues rulings that the rate structure will, in fact, change. It is premature to

¹ *In the Matter of the Investigation of the Costs and Benefits of PacifiCorp’s Net Metering Program*, Docket 14-035-114, Nov. 10, 2015 Order at 11.

issue the notice RMP proposes.

As a result, the Commission should issue an order asserting that the existing Schedule 135 will remain in place until such time as the Commission issues a ruling that it is no longer appropriate for new net metering customers. Should the Commission determine in the future that Schedule 135 is no longer appropriate for new net metering customers, it could then—with appropriate notice—close Schedule 135 to new customers adopt a Schedule 135A that will adopt the new rate structure determined by the Commission to be appropriate for new customers.

II. If Adopted, RMP’s Proposals In This Docket Would Greatly and Negatively Impact The U Community Solar Program.

In addition to concerns regarding confusion in the marketplace, the University of Utah is serious concerns about the negative impact that RMP’s proposals in this docket would have on the U Community Solar (“UCS”) program. As discussed above, the University facilitates UCS as part of a larger campaign to help the University of Utah community access electricity generated from renewable sources. Through UCS, homeowners in Salt Lake, Summit, and Davis Counties can install residential solar through a streamlined process at a discounted price. A single contractor provides design, engineering, and installation services for all who seek to install solar through UCS.

In order to provide additional context, it helps to better understand how UCS works. A member of the University of Utah campus community interested in installing solar through UCS goes through a series of steps.

- (1) One must fill out the solar survey through the UCS website, which assesses the member’s eligibility to participate in the program.
- (2) The solar contractor chosen by UCS reviews the information provided in the survey to determine whether the member’s home seems suitable for solar.

- (3) If the home seems suitable for solar, the contractor will contact the homeowner to schedule a site visit to further assess the home's suitability for solar.
- (4) Based on the information provided in the survey and gathered during the site visit, if the home is deemed suitable for solar then the contractor will provide the homeowner with various options for a solar installation.
- (5) If the homeowner elects to install solar, he or she will inform the contractor which option he or she has chosen and will request that the contractor provide a contract.
- (6) Once the homeowner signs the contract with the solar installer, he or she also fills out the net metering application with RMP and sends it to the contractor.
- (7) The solar contractor then submits the net metering contract to RMP.
- (8) The solar contractor then files the appropriate applications to obtain a permit for the installation.
- (9) Once the permit is obtained, the contractor will schedule and install the solar application.

From beginning to end, this process can take months to complete. It often takes multiple weeks to go from the first step, where the customer fills out the survey, to the seventh step, submitting the net metering application to RMP.

Given the uncertainty regarding tax incentives in the new tax year, the program's goal is to complete all contracts and net metering agreements by December 16, 2016. For this reason UCS has, for several months, been scheduled to close at the end of 2016. To reach this goal, UCS will close the survey, Step One above, to new participants on November 30, 2016. Homeowners seeking to install solar applications through UCS therefore must fill out the survey on or before November 30, 2016.

Through the process described above, the contractor administering the program has evaluated 632 surveys, completed 233 site visits, and signed 155 contracts for new residential solar installations (representing 939 kW of new solar capacity). Thus far, at least 68 new solar installations have been completed. UCS continues to receive several new surveys every day. In addition, the University anticipates, based on past programs, that there is likely to be an increase in surveys and interest in UCS as the November 30 deadline approaches. The contractor is working as quickly as possible to shepherd applicants through this process, but given the current and anticipated numbers, it will be very difficult to perform this work for all UCS participants by the December 9, 2016 deadline proposed by RMP for the closure of Schedule 135.

CONCLUSION

For the reasons provided above, Schedule 135 should remain open until a new rate structure for residential solar customers is created. If, however, the Commission elects to close Schedule 135 to new net metering customers before that date, the University of Utah requests that the Commission delay closing Schedule 135 until a date later than December 9, 2016—at least January 1, 2017—to allow those participating in UCS to complete the process described above.

Respectfully submitted this 22nd day of November 2016.

HATCH, JAMES & DODGE

By: /s/ Phillip J. Russell
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CERTIFICATE OF SERVICE

Docket No. 16-035-T14

I hereby certify that a true and correct copy of the foregoing was served by email this 22nd day of November, on the following:

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