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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: July 31, 2019

Re: Rocky Mountain Power's Customer Owned Generation and Net Metering Report and Attachment A for the Period April 1, 2018 through March 31, 2019. Docket No. 19-035-29.

Background

On July 1, 2019, Rocky Mountain Power (Company) filed with the Public Service Commission (Commission) its Customer Owned Generation and Net Metering Report (Report) and Attachment A for the period April 1, 2018, through March 31, 2019.

On July 2, 2019, the Commission issued a Notice of Filing and Comment Period establishing Wednesday, July 31, 2019 and Thursday, August 15, 2019 as the deadlines for interested parties to submit comments and reply comments, respectively. In accordance with that schedule, the Office of Consumer Services (Office) submits the following comments.

Discussion

The Company is required to file the Net Metering Report annually in order to keep the Commission and other parties informed as to the status of customer owned generation on the Utah portion of the Company's system. The Company states that this Report is submitted in compliance with Docket No. 08-035-T04 and R746-312-16.

Completeness of Report

The Office was able to locate within the Report and accompanying Attachment A the information required by the Commission. The Office believes that the Report constitutes a complete filing although we did identify some potential errors discussed below.

The Office appreciates the Company's efforts in compiling the required information and recognizes that significant effort is required due to the amount and level of information provided. The Office continues to find the report to be a source of useful information regarding net metering and customer owned generation on the Company's system.

Disparities in Reported Numbers

The Report¹ at page 1 provides the number of customer generation facilities by resource type for both net metering and non-net metering facilities.² The Office notes that the number of facilities by resource type on page 1 do not precisely match the numbers presented in Attachment A. For example:

- In the Net Metering Category of Hydro facilities, the Report specifies 4 but Attachment A shows 7.
- The Report indicates there are 29763 Solar Resource Facilities, while Attachment A shows 30921.
- For Non-Net Metering Facilities the Report indicates 1 Battery Storage facility but Attachment A has none.
- The Report lists 6 Gas facilities and Attachment A lists 8, Hydro is 21 in the Report and 22 on Attachment A.
- There are also differences in the reported numbers for Solar and Wind (mixed) facilities between years. In the 2017 Report the number is 25 but in the 2018 Report the number is 20.

In response to our data request OCS 2.1 the Company stated:

"The report has a typo and has been updated to reflect the correct number of hydro systems. Total net metering hydro facilities should be 7. See Attachment OCS 2.1, Updated 2019 Utah Interconnection Report-Final.

For the non-net metering category, please refer to Attachment OCS 1.3. Total Battery Storage should be 1. Total Gas facilities should be 8. Total Hydro facilities should be 22."

¹ The Customer Generation Report is identified as Exhibit C on the Commission's website.

² Schedule 136 customer generation facilities by resource type are also provided; the Office did not find discrepancies in that category.

The Office suggests it will be helpful if the Company addresses this issue further and provides the Updated 2019 Utah interconnection Report-Final in its reply comments.

Additional Correction

Attachment B provides the Net Metering Excess Energy Valuation. The table on Attachment B includes the rates used in the calculation to determine the value of excess energy. One calculation is for the period, "2018 Winter (Apr. May. June) Advice No. 17-035-T07". Since June is a Summer month for purposes of Schedule 37 the Office inquired as to its inclusion as a winter month in this analysis. The Company responded that "a corrected version of Exhibit B that modifies the compensation value for expired energy to reflect that June is a summer month" has been provided in response to DPU Data Request 2.13.

The Office recommends that the Company include the corrected Exhibit B in its reply comments.

Treatment of Excess Credits

The Company reports that, "the value of excess generation credits from customers taking service on Electric Service Schedule 135 (Schedule 135) and Electric Service Schedule 136 (Schedule 136) is equal to \$153,206.43 and \$26,924.55, respectively.

Excess Credits from Schedule 135

Historically, the value of expired credits from Schedule 135 was transferred to the Home Electric Lifeline Program (HELP or Schedule 3). Potential alternative uses for the excess generation credits from Schedule 135 were recently considered by the Commission in Docket No. 18-035-39. In that docket, the Commission stated³:

"We find the current use of Excess Credits to continue to be reasonable but find that it can be improved with one adjustment. While our October Order required that Excess Credits be credited as additional revenue collected under PacifiCorp's Schedule 91, we find that it is in the public interest to ensure incremental value is being provided to low-income customers. Therefore, instead of applying the Excess Credits to the Schedule 91 balancing account, PacifiCorp shall grant a one-time credit to all Schedule 3 customers during the April 2019 billing cycle. This credit shall be based on dividing the \$159,840 value of the Excess Credits by the number of Schedule 3 customers being served. We find this method is an equitable and reasonable modification of our October Order. In future years, PacifiCorp may propose different timing for the distribution of Excess Credits."⁴

³ Commission order dated January 11, 2019, Docket No. 18-035-39.

⁴ Docket No. 18-035-39, January 11, 2019 Order, p.9.

In this filing, the Company recommends that the value of excess generation credits from Schedule 135 continue to be credited to HELP. Instead of a one-time credit to Schedule 3 customers⁵, the Company proposes to increase the monthly HELP credit permanently by approximately \$0.54. Thus, providing incremental value to those customers. The Company asserts this approach will lessen the administrative burden of providing a slightly different one-time credit each year.

The value of Schedule 135 excess generation credits in this Report are close to the amount reported in Docket No. 18-035-28, which was \$159,840. The Company believes that the amount of Schedule 135 excess generation credits is likely to remain around this level in the future⁶ as Schedule 135 is closed to new customers.

The Office believes that the Company's proposal for the treatment of excess generation credits from Schedule 135 comports with the Commission's order in Docket No. 18-035-39. If in the future the value of the excess generation credits from Schedule 135 should change the HELP credit amount would need be modified to match the excess credits.

While we think that increasing the amount of the HELP credit is a reasonable use of excess generation credits, the Office may advocate for a different treatment in the future.

Excess Credits from Transition Customers

The Company states that the value of the excess generation credits from Schedule 136 (\$26,924.55) will be credited to the Energy Balancing Account, as approved by the Commission in a letter dated August 30, 2018 in Docket No. 18-035-28.

The Office agrees that this is appropriate treatment of excess generation credits from Schedule 136.

Recommendations

The Office recommends that the Commission acknowledge the Company's Customer Owned Generation and Net Metering Report and Attachment A for the Period April 1, 2018 through March 31, 2019 as meeting Commission requirements for this Report, provided that the Company address the discrepancies in the numbers in the Report and Attachment A and include a new Attachment B.

CC: Rocky Mountain Power
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Jana Saba
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⁵ Currently the monthly maximum value of the HELP credit is \$12.60.

⁶ In Docket No. 18-035-39, reported excess generation credits were \$159,840.