



October 16, 2019

**VIA EMAIL**

UTAH PUBLIC SERVICE COMMISSION  
Heber M. Wells Building  
160 East 300 South, 4<sup>th</sup> Floor  
Salt Lake City, Utah 84111

**Re: Docket No. 19-035-T08: In the Matter of Rocky Mountain Power's Proposed Changes to Schedule 73, Subscriber Solar Program Rider Optional**

### **Introduction**

On September 18, 2019, Rocky Mountain Power (Company) filed a proposal to amend electric service Schedule No. 73 (Subscriber Solar) to create a new “full coverage” option, to be made available to interested customers on Schedules No. 1, 3, and 23. Utah Clean Energy believes this proposed change offers residential and small commercial customers improved choice and simplicity while appropriately managing the risk that customer subscription exceed program generation. We recommend that the Public Service Commission (Commission) approve the Company’s proposed change as described in the September 18, 2019 supplemental filing.

### **Background**

The Company initially proposed two changes to the Subscriber Solar program in a May 9, 2019 filing. In response, the Office of Consumer Services (Office) and the Division of Public Utilities (Division) filed comments on May 21 and May 23, respectively, expressing concerns about the lack of supportive detail and information provided in the filing. The Company provided reply comments on May 30 supporting a suspension of the proposed tariff changes to allow further

discussion amongst interested parties, and the Commission issued an Order Suspending Tariff on May 31.

The Company held a workshop with interested parties on July 12, 2019, during which the Company provided additional information about the rationale behind the proposed full coverage option and supporting information regarding the anticipated impacts on Subscriber Solar program revenue. The Company also provided a model showing how program subscription would have changed for 2018 if all residential and Schedule 23 customers who are currently subscribed to blocks sufficient to offset 75% or more of their energy usage were to switch to the full coverage option.

A scheduling conference was held on October 2 and the Commission issued a scheduling order on October 3 inviting comments by interested parties on or before October 16 and reply comments on or before October 25.

## **Discussion**

The Company's September 18 Supplemental Filing includes only the proposed "full coverage" change to the Schedule No. 73 tariff, and requested an effective date for proposed changes of January 1, 2020. As such, UCE's comments do not address proposed changes from the Company's May 9 filing that have since been withdrawn.

During the July workshop, parties discussed several concerns with the proposed full coverage option, including concerns about:

- the fairness of allowing only residential and small commercial customers to enroll in a full coverage option;
- the revenue impacts on the program and risk that full coverage customers could become oversubscribed relative to the amount of generation available;
- the risk that Subscriber Solar customers leave the program in the future in response to changes in the Company's overall resource mix;
- customer perception of the full coverage option, including concerns that it is misleading to customers.

Limiting the full coverage option to residential and small commercial customers improves choice and simplicity for these customers while reasonably managing the risk of program oversubscription. Many customers participate in the Subscriber Solar program in order to fully offset their energy bill with purchases of solar energy, but are currently unable to do so. Instead, an enrolling customer must work with a customer service agent to calculate their total annual energy usage and determine the number of solar energy “blocks” that most approximates (but does not exceed) their total annual energy usage. A small customer who wishes to fully offset their energy bill with energy from the Subscriber Solar program is currently less able to do so, relative to larger energy users.<sup>1</sup> A full coverage option allows small customers who are interested in fully offsetting their energy usage through Subscriber Solar a simpler and more

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<sup>1</sup> Current program rules allow customers to subscribe to “blocks” of energy in 200 kWh increments each month, and customers may not subscribe to a number of blocks that exceed their annual energy usage. A residential customer using 9,000 kilowatt-hours per year (an average of 750 kWh per month) may only subscribe to three blocks of 200 kWh, equaling 7,200 kWh annually and equivalent to 80% of the customer’s total annual energy usage. The customer is not allowed to subscribe to four blocks, equaling 9,600 kWh annually, because they would be oversubscribed based on annual energy usage.

understandable option to do so.

Limiting the full coverage option to only residential and small commercial customers mitigates the risk of significant revenue changes or oversubscription to the program. The Company's September 18 Supplemental filing provides analysis showing that if all residential customers who are currently offsetting more than 75% of their annual energy usage switched to the full coverage option, the combined difference in revenue would be \$298 on an annual basis.<sup>2</sup> For Schedule 23 customers, the impact would be a reduction in revenue of \$6,636.<sup>3</sup> The Company's filing also provides analysis showing that, with the same assumptions, the full coverage option would have resulted in a 1.7% change in the total amount of 2018 subscriptions through the program, relative to total generation.<sup>4</sup>

The Company provides annual updates on the Subscriber Solar program, including workshops for interested stakeholders. We suggest that concerns about the risk of customers leaving the Subscriber Solar program in the future and concerns that marketing of the full coverage option is misleading to customers be addressed in future annual reports and stakeholder meetings. If the Company's proposed change is approved by the Commission, we recommend that the Company also report on the number of customers who switch to the full coverage option and the number of new customers who enroll in the full coverage option in order to monitor the impact of this change.

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<sup>2</sup> Docket No. 19-035-T08, Rocky Mountain Power Supplemental Filing, September 18, 2019. Exhibit B, Page 3

<sup>3</sup> *Ibid*, Page 3

<sup>4</sup> *Ibid*, Page 4

## Conclusion

Utah Clean Energy supports the Company's proposed change to make a full coverage option available to Schedule 1, 3, and 23 customers because it will improve customer choice and simplicity while reasonably managing risks to program revenue and subscription relative to generation. The Company's analysis shows that changes to program revenue and subscription levels are likely to be minimal. We suggest that the Company report on the number of customers who switch to or enroll in the full coverage option during future Subscriber Solar annual reports.

Sincerely,



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Kate Bowman  
Renewable Energy Program Manager

**CERTIFICATE OF SERVICE**

Advice No. 19-09

Docket No. 19-035-T08

I hereby certify that on October 16, 2019, a true and correct copy of the foregoing was served by electronic mail to the following:

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