

Sophie Hayes (12546)
Utah Clean Energy
1014 2nd Ave.
Salt Lake City, UT 84103
801-363-4046
Attorney for Utah Clean Energy

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Approval of Rocky Mountain Power’s Tariff P.S.C.U. No. 47, Re: Schedule 107 - Solar Incentive Program	DOCKET NO. 07-035-T14
In the Matter of an Investigation into Extending and Expanding the Solar Incentive Program and Possible Development of an Ongoing Program	DOCKET NO. 11-035-104

Utah Clean Energy Request for an Extension of Time to File Comments on the Division of Public Utility’s Report on the Solar Incentive Program Workgroup

Utah Clean Energy respectfully requests that the Commission grant an extension of time for parties to submit comments on the Division’s Report on the Solar Incentive Workgroup in Docket No. 11-035-104. In support of this request, Utah Clean Energy provides, below, a review of the history of Docket No. 11-035-104 and associated Docket No. 07-035-T14.

On August 3, 2007, the Commission issued an Order approving a tariff for Rocky Mountain Power (the Company) for a five year Solar Incentive Pilot Program. As a component of the Program, the Company committed to file annual reports of the program summarizing program results and expenditures, as well as a Three-Year Assessment after the third year.¹

On September 30, 2010, the Company filed with the Commission its Three-Year

¹ Utah Public Service Commission, Order on the 2010 Annual Report and Notice of Agency Action, Issued July 7, 2011, Docket Nos. 07-035-T-14 and 11-035-104 (hereinafter *Commission Order on 2010 Annual Report*), page 1.

Assessment of the Program. On February 10, 2011, the Commission issued an order acknowledging the Three-Year Assessment of the Program. This order directed the Company to continue the program through the end of the original five-year term, reduce the incentive amount to \$1.55 per watt, and provide additional detail in response to parties' questions on the Company's 2009 Annual Report.

On March 7, 2011, the Company filed its fourth Annual Report for the Solar Incentive Program for Year 2010. On March 24, 2011, the Commission issued a request for comments on the 2010 Annual Report. In addition to comments on the 2010 Annual Report, the Commission invited interested parties to address whether a continued or expanded solar program in Utah is appropriate and how that program might be structured.² In response to its request for comments, the Commission received comments from the Division, the Office of Consumer Services (Office), Utah Clean Energy, and over seventy other parties.

In its comments on Rocky Mountain Power's fourth Annual Report, the Division recommended the Commission acknowledge the 2010 Annual Report as meeting the Commission's requirement for the Program. Additionally, the Division performed sensitivity analysis of the cost-effectiveness of the program by eliminating the meter costs and reducing the incentive level to \$1.55 while holding all other parameters of the cost-effectiveness test unchanged. The Division argued that such simple changes made the program cost effective under the Utility Cost Test. Additionally, the Division pointed out that the Company's 2011 IRP System Optimizer model selected all available solar every year in both solar PV rebate cost scenarios. The Division argued that an extension and an expansion of the program were possibly warranted. The Division recommended that the Commission hold a technical conference for interested parties to discuss the appropriate way to extend and expand the program, among other

² Utah Public Service Commission, Request for Comments, Issued March 24, 2011, Docket No. 07-035-T14.

issues.³ The Office also recommended that the Commission open an investigative docket and schedule a technical conference to evaluate the program and determine its future.⁴

Utah Clean Energy and the majority of all other commenting parties expressed support for continuing and expanding the solar incentive program.⁵ Utah Clean Energy demonstrated that there was sufficient evidence to support the continuation and expansion of the Solar Incentive Program, including the following: IRP analysis indicated that a solar incentive program is a low-cost resource for the utility; the current \$1.55/watt program passes the utility cost; and the program also provides other benefits, both energy- and non-energy related, including distribution benefits, environmental benefits, and risk mitigating benefits,. Utah Clean Energy recommended designing an expanded program in order to continue the solar rebate program in a cost effective and administratively efficient manner.

On July 7, 2011, the Commission issued an Order on the 2010 Annual Report of the Solar Incentive Program and a Notice of Agency Action. The Commission stated,

We appreciate the time and energy put forth by interested parties in responding to our request for comments. Based on the comments received from the Division, the Office, and the majority of interested parties, there is support and merit for further discussion of the Program's future.

We concur with the Division's sensitivity analysis and take note of their observation that the 2011 IRP selects the maximum available solar resource. Based on the Division's recommendation, we conclude the Company's 2010 Annual Report generally meets the requirements identified in our August 3, 2007, Order.

We hereby open an investigative docket pursuant to Utah Code Ann. §§ 63G-4-201 and 54-4-1, and direct the Division to organize and lead a Workgroup to investigate extending and expanding the Program and, if appropriate, develop an ongoing program designed to be cost-effective.⁶

³ Division Memorandum Re: Docket No. 07-035-T14, filed with the Commission on June 13, 2011.

⁴ Office Memorandum Re: Docket No. 07-035-T14, filed with the Commission on June 9, 2011.

⁵ *Commission Order on 2010 Annual Report*, page 5.

⁶ *Commission Order on 2010 Annual Report*, pages 5-6.

Pursuant to this Order, the Division commenced a Workgroup process. The Division hosted the first meeting on September 8th to discuss the scope and purpose of the Workgroup and to establish the process for filing the Workgroup Report. Specifically, the Division explained that if there was consensus among the Workgroup participants, the Division would file the joint recommendation to the Commission, while if there was no consensus, the Division would prepare a memorandum to the Commission to outline the issues discussed.⁷

The Workgroup met on September 8, September 16,⁸ and September 27, 2011. Participants, in addition to the Company, the Division, and the Office, included Utah Clean Energy, local government representatives, commercial and residential builders, financial institutions, large energy users, distributed solar developers and installers, individuals, and public interest organizations.

During the workgroup meetings, participants began preliminary discussions on a range of issues pertaining to those outlined in the Commission's Order. Alternative proposals for expansion were discussed; however, given the limited time, the workgroup discussions did not go into any detail on an expanded program design and a consensus on this matter was not achieved.

At the September 27th work group meeting, the Division indicated they would provide a draft report for the workgroup participants to review the week of October 17th. The Division

⁷ Division Agendas for September 8 and September 27 Solar Incentive Program Workgroup meetings.

⁸ During the September 8th meeting, parties agreed to create a "cost-effectiveness sub-group" to evaluate the cost-effectiveness of the current program and possible other program designs. The subgroup, consisting of the Company, the Division, the Office, the Utah Association of Energy Users (UAE), and Utah Clean Energy met on September 16th, 2011 to discuss what cost-effectiveness information would be of use for this Workgroup. Pursuant to this meeting, the Company conducted six different cost-effectiveness tests, assuming a scalable program size of one MW, for different program incentive levels, administrative costs, and panel orientations. The results of this cost-effectiveness modeling were presented to the entire Workgroup at a September 27, 2011 meeting.

indicated the report would include their recommendation for the program and summary of Workgroup discussions; the Division also indicated it would provide workgroup participants the opportunity to provide feedback regarding the report prior to the due date of the final Report (November 1, 2011). However, at this time, the Division has not distributed a draft to all Workgroup participants.

Participants of the Division's workgroup participated in good faith, working to explore the issues outlined in the Commission's Order. Even in informal dockets such as this one, it is important to protect the interests of all participants, as well as to develop a record for the decision-makers.⁹ At this time, there is no public record of the work of this group, and the only public record will be the Division report, which participants have not yet had the chance to review. Therefore, in an effort to ensure the integrity of this Workgroup process, Utah Clean Energy requests that the Commission grant an extension of time for parties to submit comments on the Division's Report for two weeks from the date the Division files its Report with the Commission.

Respectfully submitted this 28th day of October, 2011.

Utah Clean Energy

⁹ See Utah Code 63G-4-202(b) and 203(j).

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was sent by email this 28th day of October, 2011, to the following:

Dave Taylor
Aaron Lively
Erik Anderson
ROCKY MOUNTAIN POWER
dave.taylor@pacificorp.com
aaron.lively@pacificorp.com
erik.anderson@pacificorp.com

Patricia Schmid
Dahnelle Burton-Lee
Assistant Attorneys General
ATTORNEYS FOR THE DIVISION
OF PUBLIC UTILITIES
pschmid@utah.gov
dburton-lee@utah.gov

Paul Proctor
Assistant Attorney General
ATTORNEY FOR THE OFFICE OF
CONSUMER SERVICES
pproctor@utah.gov

Chris Parker
Artie Powell
Thomas Brill
Charles Peterson
DIVISION OF PUBLIC UTILITIES
chrisparker@utah.gov
wpowell@utah.gov
tbrill@utah.gov
chpeterson@utah.gov

Michele Beck
Cheryl Murray
OFFICE OF CONSUMER SERVICES
mbeck@utah.gov
cmurray@utah.gov

/s/ _____