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Sustainability Division

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April 29, 2010

Utah Public Service Commission
Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84114

RE: Docket 07-035-T14 - Schedule No. 107: 2009 Annual Report of the Solar Photovoltaic Incentive Program

Dear Commissioners and Commission Staff:

Salt Lake City Corporation hereby submits these Comments in response to the April 20, 2010 Request for Comments issued by the Public Service Commission (the "Commission") in regards to Docket 07-035-T14 and Rocky Mountain Power's Schedule 107-Solar Incentive Program 2009 Annual Report. We thank the Commission for granting the opportunity to provide comments.

Salt Lake City was one of the original supporters of Rocky Mountain Power's Pilot Solar Incentive Program, under our Salt Lake City Million Solar Roofs Partnership – a project supported by the U.S. Department of Energy (ref: comments on Docket 07-035-T14, issued May 30, 2007). In 2007, Salt Lake City was officially designated as one of twenty-five Solar America Cities by the U.S. Department of Energy Solar America Cities Initiative and has received two grants to help the City remove barriers to solar adoption, thereby helping advance solar across the state and the region. Salt Lake City continues to monitor the progress on Rocky Mountain Power's Pilot Solar Incentive Program as part of our ongoing solar efforts, and we wanted to take this opportunity to provide some comments on the Program's 2009 Annual Report.

In reviewing the Commission's original Order approving the Pilot Solar Incentive, it has come to our attention that the Commission directed Rocky Mountain Power to provide a report *within three years* of the programs adoption "assessing whether changes are warranted in any element of the Program, including the caps," in an acknowledgement that "five years is a long time before assessing the Program's value for the purpose of considering any possible modifications to the Program." (Docket 07-035-T14, Order Approving Tariff with Certain Conditions). In reviewing Rocky Mountain Power's 2009 (year three of the pilot) annual report, we do not see

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any indication of said assessment but would strongly support such an assessment in the very near future. Additionally, Salt Lake City strongly supports an open and thorough review process and investigation of program expansion involving any and all interested parties. We are aware that Rocky Mountain Power has recently embarked on an alternative methodology to assess the metered data of the solar systems and determine their contribution to customer demand; we are hopeful that this alternative methodology will provide the needed information and data to help in this future assessment.

On the matter of cost-effectiveness and the levelized costs of the program provided in the 2009 Annual Report, Salt Lake City respectfully requests that the report entail additional details on how these figures were derived, including a more detailed explanation of the methodology, assumptions, and models employed. We also respectfully request that any review and investigation of this program entail a fully transparent process whereby all interested parties are able to weigh in on and review the methodology and assumptions relating to the economics of the program (both of the current pilot as well as a larger-scale program). We would also like to request that any benefits of the program be given full consideration as part of the evaluation.

Salt Lake City is most appreciative of all the hard work that has gone into this pilot program over the last three years, and we look forward to working with all the involved parties to further explore this program in more depth and precision. We hope to see this solar incentive program become a more robust and meaningful program to help more of our citizens and businesses invest in solar energy, thereby helping diversify our energy portfolio, improve our prospects for better air quality throughout the region, and reduce the strain on our aging electric system. A larger-scale program would attract more interest from low cost solar providers, which would help to drive down costs through economies of scale. It would also provide for efficiencies by reducing the administrative costs of the program. And a larger program might also encourage solar providers to invest in Utah, which would provide direct economic benefits to our region.

As such, Salt Lake City respectfully requests that the Public Service Commission initiate a formal proceeding to examine the need and value of expanding the current pilot program. Thank you for your consideration of this important issue.

Sincerely,



Vicki Bennett
Sustainability Director
Salt Lake City Corporation