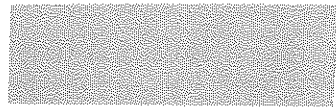


Attn: Julie P. Orchard, Commission Secretary  
Public Service Commission  
Heber Wells Building 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City, UT 84341



May 23, 2011  
UTAH PUBLIC  
SERVICE COMMISSION

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Comments on Solar Incentive Program and Study Docket No. 07-035-T14

I am pleased to learn of Rocky Mountain Power's solar incentive program in a Salt Lake Tribune article on 5/13/11 that references the above-noted docket. I recently built a new home in North Logan and installed PVs on my roof. I did not use this particular incentive program but I would not have made this investment without the incentive programs available through Utah and the Federal government. I was very pleased with RMP service installing a net meter at my home and I am now contributing energy to their system.

It should be noted that PV costs decreased in 2010, the program subscribed quickly and the number of contractors increased – signs of program success. I hope you will ask RMP to broaden and expand this solar incentive program.

Administrative costs and logistics (and PV costs) will diminish as greater penetration of PVs occurs. At this stage of development in the U.S., the market for PVs has not matured sufficiently to capture economies of scale. This is not true in other countries where PVs are more common, especially China. RMP can help with the commercialization of PVs in the region.

I reviewed the 2010 RMP study filed in this docket that examines measured Utah-specific PV cost-effectiveness and contribution to peak load. This research should be especially helpful for RMP integrated resource planning. PVs are, as RMP concludes, clearly making an important contribution to the summer peak load even though its contribution is not entirely coincident with the daily summer peak hour. Availability during the summer hot, peak days makes this power source especially valuable to RMP. I did not review the confidential models that were provided to the PSC, so I am not sure that PV value in meeting the summer peak is incorporated into economic calculations adequately. (See Issue No. 4 identified by the PSC regarding report Tables 3 and 4 and Appendices A, B, C and D.)

The program study does not yet show a net benefit for PVs. RMP suggests opening a new docket this fall to evaluate where this program should be changed or expanded. In the meantime, RMP should be asked to see if this program could be integrated with other RMP programs such as the Blue Sky Renewable Program and/or conservation incentive programs as well as Utah and Federal incentive programs. Perhaps goals should be modified. (I believe they have been advanced but are not yet met.) With government

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programs under financial pressures, it is important for RMP to continue to bring this technology to its potential.

Study assumptions in estimating the levelized PV cost for RMP resource comparison purposes may not be adequate. A report footnote on p. 12 states:

*"Recognizing that solar output doesn't align with system coincident peaks and despite its high availability factor, solar has a limited capacity factor (reducing its resource value), the Company used an avoided cost of a flatter resource load shape, commercial lighting, in approximating the cost-effectiveness of the resource. Source was 2008 IRP decrement value for commercial lighting and assumes \$45 CO2 tax."*

Using the avoided cost of commercial lighting load may not be appropriate, especially with respect to the PV contribution to expensive summer peak load. Characteristics of solar and commercial lighting are very different, one peaking in the winter and the other in summer. PV generation most definitely does not have the "flatter load shape" of commercial lighting. Is the measured Utah PV contribution to Utah summer peak load shown Figure 2 used to determine the levelized cost of PVs? Figure 2 shows a real contribution during the summer RMP peak hour and it appears that PVs have a very unique load shape for modeling purposes.

Solar PVs, in my opinion, will be a significant power source for the future. Its distributed nature will reduce transmission and distribution costs, improve reliability, significantly reduce risk for both customers and RMP, and reduce many forms of pollution. I am pleased to see that a \$45 tax on carbon is included in this resource comparison. Other externalities such as those mentioned above should be considered in RMP integrated resource planning.

Many factors influence customer decisions and acceptance besides cost, including ease of contracting/installation, connecting/contracting with RMP, marketing and "what the neighbors are doing." I found my PV purchase to be more complicated and more time-consuming than necessary. My builder was supportive and interested in costs of the system. Upfront costs are a barrier for many people even though tax incentives are in place. I have had many questions about my PVs from others and I conclude there is a real need for good information presented in a form PV customers can readily understand. Ideally, installing PVs should be no more difficult than purchasing and installing a heating system. To increase customer acceptance, this project could be broadened to help make this process easier by:

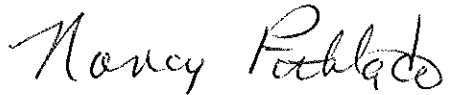
1. providing good information about PVs,
2. maintaining a list of qualified contractors,
3. providing publicity and advertising similar to the conservation program,
4. helping contractors market the program and find good equipment, and
5. promoting the net metering program.

Gaining PV experience meets state and federal policy objectives and will help RMP lead

Continued

the way to increase our use of renewable energy resources. I hope you will continue to encourage RMP to promote customer conservation and renewable generation through net metering and incentives. Our collective future depends upon efforts such as this.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Pitblado". The letters are fluid and connected, with a prominent loop at the end of the last name.

Nancy Pitblado