

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Consideration of )  
Changes to Rocky Mountain Power's ) DOCKET NO. 08-035-78  
Schedule No. 135 - Net Metering Service )  
) NOTICE OF PROPOSED  
) MODIFICATIONS AND NOTICE OF  
) HEARING  
)  
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ISSUED: December 18, 2008

By the Commission:

On September 25, 2008, the Commission initiated an investigation of Rocky Mountain Power's ("Company") Schedule 135- Net Metering Service. The Commission issued a Request for Comments and Notice of Technical Conference. Public comment was invited by November 26, 2008, regarding:

1. Increasing the permissible amount of cumulative generating capacity from customer generation systems above 0.1 percent of Rocky Mountain Power's peak demand during 2007 (the level referenced in Utah Code 54-15-103) and,
2. The appropriate value to be credited for excess customer-generated electricity pursuant to Utah Code §54-15-104 (3)(a)(i).

Comments were received from approximately 30 parties representing private citizens, businesses, special interest groups, county and city governments, and state agencies. Rocky Mountain Power provided response comments agreeing with a number of the other parties' comments. After evaluating these comments, the Commission finds the following

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changes to Rocky Mountain Power's Schedule 135 may be appropriate and will conduct a hearing to determine whether:

1. To:
  - a. remove tariff language reference to a cap,
  - b. implement a customer generated electricity cap or limitation at 20 percent of Rocky Mountain Power's 2007 peak demand, and
  - c. Consider whether elimination of any cap can be done under existing statute or would require statutory change
2. To set the value or credit for net excess generation:
  - a. For residential and small commercial net metering customers from avoided cost to either a tariff provision using a kilowatt hour credit or a tariff provision using a monetary value credit based on the customer's applicable Rocky Mountain Power retail rate, which tariff provision would be applied to all such customers, and
  - b. For large commercial customers from avoided cost to a tariff provision permitting an annual individual customer choice between
    - i. an avoided cost based rate consistent with the Schedule 37 avoided cost determination, with a requirement that the Schedule-37-avoided-cost-net-metering-credit rate would be updated by Rocky Mountain Power at least semi-annually, which credit value would

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be available as a choice between a blended (yearly average) rate or seasonally differentiated rates, or

- ii. an alternative rate, identified and updated annually in the tariff filed with the Commission, calculated by dividing Rocky Mountain Power's Utah revenue per schedule (applicable to the net-metering customer) by the schedule's corresponding kilowatt hours using data from the previous year's FERC Form 1, and
  - c. determine how to classify customers into the residential and small commercial and large commercial customer categories for these net metering provisions.
3. To add a tariff provision that in the event a net metering customer provides net excess generation during a month, that customer will not be subject to a minimum monthly bill fee.
  4. To add new tariff wording clarifying that renewable energy credits associated with excess generation are owned by the customer-generator or as otherwise agreed to or designated by the customer.

Unless the Commission receives a request by December 29, 2009, from any person that a scheduling conference is necessary to set any additional procedural schedule in this matter, notice is hereby given that a hearing in the above-entitled matter will be conducted by the Public Service Commission of Utah on **Monday, January 12, 2009, at 1:30 p.m.**, Fourth Floor Hearing Room 403, Heber M. Wells State Office Building, 160 East 300 South, Salt Lake City,

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Utah. The purpose of the hearing will be for interested persons to be heard on whether the Commission should or should not implement the changes described and order Rocky Mountain Power's Schedule 135 - Net Metering Service to be amended accordingly.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this hearing should notify the Commission at 160 East 300 South, Salt Lake City, Utah, 84111, (801)530-6716, at least three working days prior to the hearing.

DATED at Salt Lake City, Utah this 18<sup>th</sup> day of December, 2008.

/s/ Julie Orchard  
Commission Secretary  
G#60081