

To: Utah Public Service Commission

From: Mayor Peter Corroon, Salt Lake County

Date: November 26, 2008

Re: Docket No. 08-035-78 In the Matter of Consideration of Changes to Rocky Mountain Power's
Schedule No. 135 – Net metering service.

2008 NOV 26 P 5:05

As the Mayor of Salt Lake County and a concerned citizen in the area of energy production, I am writing today to submit comments to the Public Service Commission regarding Docket 08-035-78 in the Matter of Consideration of Changes to Rocky Mountain Power's Schedule No. 135 – Net metering Service. First, let me thank you for taking this issue seriously and for the countless hours you and your staff have invested in working to remove barriers to distributed renewable energy in Utah. Working to address these barriers helps encourage economic development, create new jobs and industries, and provides numerous benefits to Utah citizens and businesses.

Salt Lake County has recently undergone a study to determine the facilities best suited for new solar PV systems and to augment existing systems. We are committed to maximizing the total amount of energy used in County facilities to be derived from renewable sources. In order for this to work, we rely on the various federal and state credits associated with these systems. Although we anticipate that the volume of excess electricity at any of our facilities will always be minimal, the avoided cost credit for that excess from Rocky Mountain Power is still critical to the overall return on investment modeling. We would like to see the PSC encourage Rocky Mountain Power to use a blended rate which would be a rate somewhere between the avoided cost schedule rates and the full retail rate. A higher rate which in some way gives some additional recognition for the excess power from solar helping the utility avoid capacity, lessen line loss and which gives some higher value for peak demand period crossover. Anything that could be done to increase the current excess electricity credit would certainly help our renewable energy efforts and would, I believe, encourage greater participation by others.

Salt Lake County is also interested in having certain protections in place regarding the sale of Renewable Energy Credits (RECs) in voluntary or compliance markets. Though Utah does not currently require the transfer of RECs in order to participate in net metering, we are concerned that without the protection, we could lose one of the revenue sources needed to meet our installation goals.

Further, the County would like to add its support to an increase in the 0.1% cap. Again, if there is a serious push to encourage small renewable power production then we should avoid getting into a market dampening event if we bump up against that cap total too quickly. It also seems like the cap should apply only to the excess power not being consumed by the small system owner and not to the total system's size.

Thank you again for your time. Please do not hesitate to contact me at 801-468-2940 if you have any questions or concerns.

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