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ACTION REQUEST RESPONSE

To: Public Service Commission

From: Phil Powlick, Director
Artie Powell, Energy Section Manager

Date: July 6, 2010

Re: Docket No. 10-035-58, Rocky Mountain Power's 2009 Net Metering Report for Utah; cross reference Docket No. 08-035-T04.

RECOMMENDATION

The Division recommends acknowledgement of the Company's annual net metering report as being compliant with past Commission orders. Additionally, the Division recommends approval of the Company's request to file only one interconnection report under R746-312-16 provided it includes a discussion of any unforeseen problems or concerns with its net metering program.

INTRODUCTION

On or about May 5, 2010, Rocky Mountain Power ("Company") filed with the Public Service Commission ("Commission") its Net Metering Report ("Report") for the period April 1, 2009 to March 31, 2010. The Company filed the Report in compliance with the Commission's order in Docket No. 08-035-T04.¹ As part of its filing, the Company requests that "the annual report under Docket No. 08-035-T04 be superseded by the annual report provided under R746-312-16."

¹ The Company's Cover Letter incorrectly references Docket No. 08-035-30.

On May 12, 2010, the Commission issued an Action Request to the Division of Public Utilities (“Division”) requesting an explanation and statement of the issues to be addressed.

ISSUES

The Division sees three issues to address from the Company’s application: (1) whether the Report in its current format complies with the Commission’s order in Docket 08-035-T04; (2) whether allowing the Company to file one annual interconnection report under R746-312-16 would sufficiently capture the information on net metering installations and activities intended under the reporting requirements of the Commission’s previous orders; and (3) some general observations on the net metering activity as indicated in the Company’s Report. These three issues are discussed in turn below.

COMPLIANCE

In its order in Docket 08-035-T04, dated June 13, 2008, the Commission directed the Company to file by April 30th of each year an annual net metering report. The report is to contain four items: (1) the number of net metering installations in Utah; (2) the respective capacity of each installation; (3) the total capacity of Utah installed net metering installations; and (4) any unforeseen problems or barriers in the tariff. The Company’s report contains each of these items as required.

Additionally, in reviewing the Company’s first net metering report, dated April 29, 2009, filed under Docket No. 09-035-30, the Division recommended that the Company’s annual report indicate the total number of expired credits, the number of customers with expired credits, and the number of expired credits per customer. The Company’s Report provides this information as requested. The Company’s report also includes a demonstration of the capacity cap and the related installed capacity.

Given the Company’s Report contains the information as required by the Commission and the additional information requested by the Division, the Division

recommends that the Commission acknowledge the Company's report as being compliant with Commission order.

REPORTING

As part of its Report filing in this docket, Docket No. 10-035-58, the Company requests that the net metering reporting requirements under Docket No. 08-035-T04 be superseded by the reporting requirements under R746-312-16 (Public Utility Maps, Records and Reports) ("Rule"). A summary of the reporting requirements from under the Commission's order and the Rule are provided in Table 1.²

For the most part, the reporting requirements are similar under either the Rule or Commission order, with more being required under the Rule. For example, the Rule requires reporting of the location (zip code) of installations and resource type, the total net excess generation by month, and the dollar value of total credits annually. However, there are two notable exceptions: the Rule does not require the Company to report on (1) the Cap and the relative installed capacity, and (2) any unforeseen problems or concerns. The current report indicates that the installed capacity is approximately 0.15% of the cap of 923,000 kW. Thus, while the cap has been a contentious topic in the past, the current cap should not pose a binding obstacle for installations in the near future. As installed capacity approaches the cap in the future, the Company could report on the cap and any concerns it may have at that time. Therefore, the Division recommends that the reporting requirements under the Rule supersede the reporting requirements under Docket No. 08-035-T04 with the caveat that the Company report on any unforeseen problems or issues as required under the Docket report.

The Division notes that while the current report complies with the reporting requirements under Docket No. 08-035-T04, because the Rule requires more information, the current report does not comply with the reporting requirements under

² The Company provides a similar summary as part of its application.

the Rule. Therefore, the Company will need to re-file or include the net metering results in its report under the Rule to include this additional information.

Table 1: Reporting Requirements

	Docket No. 08-035-T04	R746-312-16
1.	(Maintenance of current records is implied by reporting requirement).	Each utility shall maintain current records of interconnection customer generating facilities.
2.	By April 30 th submit an annual report to the Commission.	By July 1 st submit an annual report to the Commission.
3.	Report the number of Utah installations and capacity of each installation (<u>no requirement for reporting the location of each installation</u>).	Report the total number of generating facilities approved and their associated attributes including resource type, generating capacity, <u>and zip code of generating facility location</u> .
4.	Report the total capacity of Utah customer-generation as of the end of the annualized billing period. (<u>No requirement to report by resource type</u>).	Report the total rated generating capacity of generating facilities by resource type.
5.	Not required or requested.	For net metering interconnections, <u>the total net excess generation kilowatt-hours received from interconnection customers by month</u> .
6.	The Division's request asked for similar information except for dollar values.	For net metering interconnections, the total amount of excess generation credits in kilowatt hours, <u>and their associated dollar value</u> , which have expired at the end of each annualized billing period.
7.	Comparison of the capacity cap to the installed capacity.	<u>Not required under the Rule.</u>
8.	Report on any unforeseen problems.	<u>Not required under the Rule.</u>

GENERAL COMMENTS

In its annual net metering report, the Company reports on the number of net metering installations, the capacity of each installation, and the total installed capacity of all

installed net metering customer-generation facilities. Additionally, the Company reports on the total number of expired credits, the expired credits per customer, the cap relative to the total installed capacity, and unforeseen problems.

As of March 31, 2010, there are a total of 569 net metering installations with a combined capacity of 1,341 kW. This represents an increase of 154 installations and 528 kW. (See Table 2)

Table 2: Net Metering Activities

Number of Installations	Total as of March 31		2010
	2009	2010	Incremental
Solar	400	539	139
Wind	14	21	7
Solar & Wind		7	7
Hydro		1	1
Fuel Cell	1	1	0
Total	415	569	154
Capacity (kW)			
Solar	738	1219	481
Wind	60	82	22
Solar & Wind		23	23
Hydro		2	2
Fuel Cell	15	15	0
Total	813	1,341	528

The new installations include 7 solar and wind combinations with total capacity of 23 kW and a hydro installation with a capacity of 2 kW.

Sixty-one customers had a total of 12,828 kW expired credits. The average number of expired credits equaled 210 with a median of 72, indicating a few customers

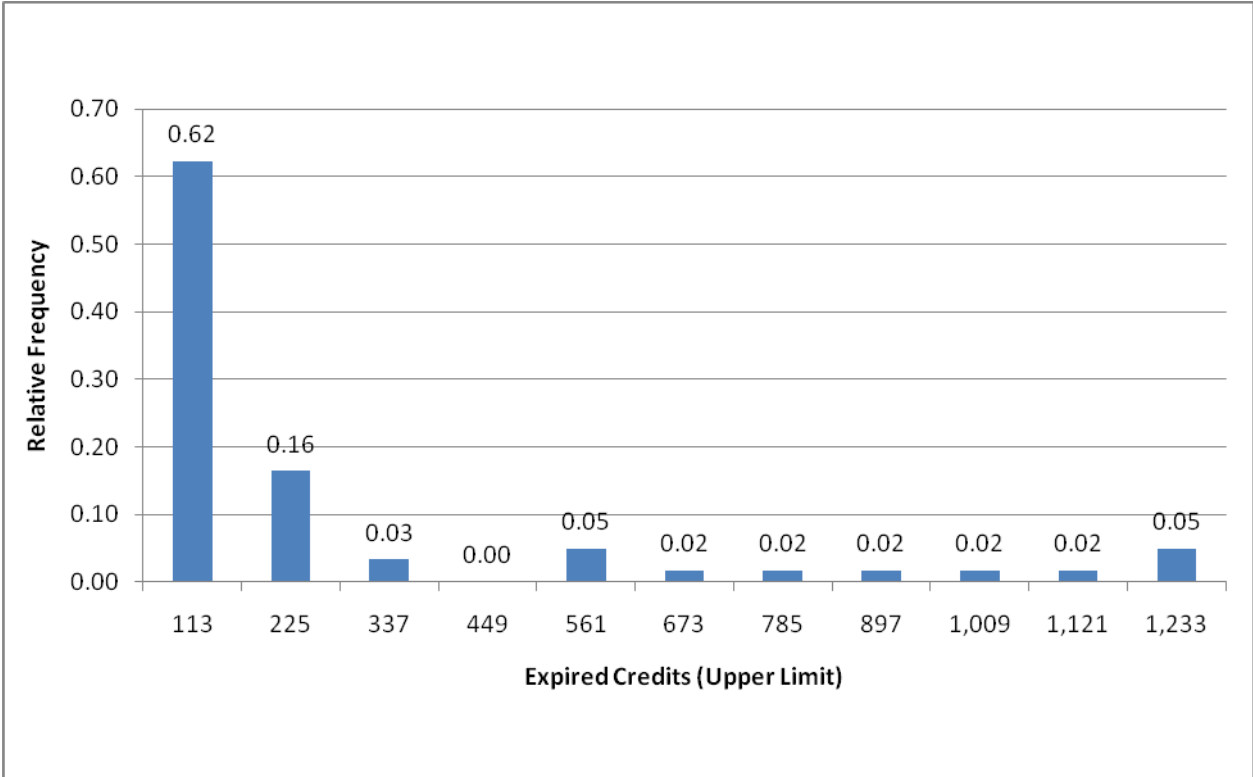
with relatively large amounts of expired credits. The most expired credits for one customer was 1,224. (See Table 3)

Table 3: Summary Statistics, Expired Credits

Mean	210
Median	72
Standard Deviation	322
Minimum	1
Maximum	1,224
Sum	12,828
Count	61

Most customers (62%) had fewer than 113 expired credits; and 50% had less than 72 expired credits. Seven percent, or approximately four customers had over 1,000 credits expire. (See Figure 1)

Figure 1: Distribution of Expired Credits



CONCLUSION

The Division finds that the Company's annual net metering report complies with previous Commission orders and recommends acknowledgment. However, the Company will need to re-file the report to include additional information to be compliant with the filing requirements under R746-312-16. Additionally, the Division believes that the Company's request to have reporting requirements under R746-312-16 supersede those under Docket No. 08-035-T04 is reasonable.

CC Michelle Beck, Office of Consumer Services

Dave Taylor, Rocky Mountain Power