



TO: Utah Public Service Commission

DATE: November 18, 2011

RE: Response Comments to Solar Incentive Report: Division Solar Incentive Program Review and Recommendations (November 8, 2011); Docket No. 11-035-104, In the Matter of an Investigation into Extending and Expanding the Solar Incentive Program and Possible Development of an Ongoing Program; and Docket No. 07-035-T14, In the Matter of the Approval of Rocky Mountain Power's Tariff PSCU No. 47, RE: Schedule 107-Solar Incentive Program.

Dear Commissioners,

Park City Municipal Corporation (Park City) has been active in its support of a continued, and greatly expanded, solar incentive program administered by Rocky Mountain Power. We previously submitted stakeholder comments (on behalf of Park City and numerous other entities) expressing our support to the Commission in November 2010 and June 2011. Additionally, we participated in a few meetings of the Solar Incentive Workgroup, convened by the Division of Public Utilities. This current letter is in response to the program review and recommendations filed by the Division of Public Utilities on November 8, 2011. Thank you for the opportunity to provide public comments on this issue.

Park City is pleased that the Division recognizes the value of a solar incentive program and recommends a continuation of this program into 2012. However, we are disappointed to see only a slight increase of 107 kW in the total installed capacity eligible for this incentive. Park City stands by its previously stated recommendation to significantly increase the amount of rebates available and also consider an incentive based on the kilowatt-hours generated for larger solar PV systems (e.g., over 100 kW in size). Since the solar incentive program was found to be cost-effective at \$1.55/watt with more reasonable administrative costs, according to the utility-cost test, we feel that an extended program with no cap (similar to how cost-effective DSM programs are treated) is a reasonable way to encourage increased penetration of distributed, renewable energy in Utah.

Given the rapidly approaching pilot program deadline, Park City supports a temporary extension of the solar incentive program with most of the terms identified in the Division report. One exception to these terms would be that if the Commission approves an expanded solar incentive program, following the continued workgroup efforts proposed by the Division, that the expanded program be allowed to start prior to the end of 2012; this will help ensure continued expansion of the solar market throughout Utah, allowing beneficial solar PV to come online more quickly.

Additionally, with respect to the Division's recommendation to form a new workgroup to consider a new solar incentive program, Park City would like the ability to be part of a public process for designing how the incentive will be structured beyond the 2012 extension. We respectfully request that all proceedings related to the solar incentive be formally open to the public, which will enable diverse and interested stakeholders to provide their input and expertise to this important proceeding.

A continued and expanded solar incentive has the ability to provide myriad benefits for ratepayers, citizens, and businesses in Utah. Indeed, the Division notes in their report that "based on the cost effectiveness of the current Program, it appears to be in the public interest to continue a solar incentive program." In addition to its cost-effectiveness, an expanded solar program can provide the benefits of a cleaner local environment, lowered reliance on finite resources, a hedge against volatility, climate change mitigation, and bolstering the clean-tech and sustainable energy sectors. It is our hope that the Commission will consider these positive co-benefits, in addition to the findings of the most recent cost-benefits analyses conducted for this program and the positive utility-cost tests therein, in order to create a more holistic cost-benefit perspective of the incentive program while advocating for its continuation and significant expansion.

Thank you again for the opportunity to provide input on this important matter. My staff and I look forward to staying involved in this effort and collaborating with the other involved stakeholders on the next steps.

Sincerely,

**Mayor Dana Williams**  
**Park City Municipal Corporation**  
445 Marsac Ave  
Park City, UT 84060