

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Approval of Rocky
Mountain Power's Tariff P.S.C.U. No. 47
Re: Schedule 107- Solar Incentive Program

Docket No. 07-035-T14

In the Matter of an Investigation into
Extending and Expanding the Solar
Incentive Program and Possible
Development of an Ongoing Program

Docket No. 11-035-104

**RESPONSE OF KEYES & FOX LLP TO
THE DIVISION OF PUBLIC UTILITIES' NOVEMBER 8, 2011 REPORT ON
THE SOLAR INCENTIVE PROGRAM**

The law firm of Keyes & Fox, LLP appreciates the opportunity to submit response comments to the Division of Public Utility's ("Division") Report on Rocky Mountain Power's ("RMP") pilot Solar Incentive Program ("Program"). The Division's report followed a series of discussions with stakeholders, through an informal working group process. Keyes & Fox participated in this process indirectly by providing assistance and support to Utah Clean Energy.

Due to the involvement of Keyes & Fox with the issues presented in the Division's report, the National Renewable Energy Laboratory ("NREL") requested that Keyes & Fox prepare a memorandum reviewing the Division's Report, as well as providing background on the Commission's methodology for determining the cost-effectiveness of the program. NREL has authorized submission of this memorandum for the Commission's consideration, but the opinions expressed therein are not those of NREL. The memorandum is included with this response as "Attachment A."

The attached memorandum supports the Division's conclusion that the Program will become cost effective under the utility cost test, prospectively, in light of the reduced incentive level of \$1.55 per Watt and the potential for other administrative and Program modifications outlined by the Division. The memorandum concurs with the Division's proposals that removing metering costs, limiting administrative costs, and generally expanding the annual capacity target will significantly increase the cost-effectiveness of the program. The memorandum suggests, however, that the Division did not provide sufficient reasons to limit an expanded solar incentive program to only double the annual capacity of the existing pilot or to restrict the program to the end of 2016, when federal investment tax credits sunset.

Keyes & Fox intends to participate in workshops held in early 2012 to develop an expanded Program. Keyes & Fox appreciates the opportunity to submit these comments and the attached memorandum, and looks forward to the opportunity to work with stakeholders and the Commission to further open the market for distributed solar photovoltaics in Utah.

Respectfully submitted,



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