

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Investigation of the Costs )  
and Benefits of PacifiCorp's Net Metering ) DOCKET NO. 14-035-114  
Program ) NOTICES OF COMMENT PERIOD AND  
) SCHEDULING CONFERENCE  
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ISSUED: November 21, 2014

**INTRODUCTION AND BACKGROUND**

On August 29, 2014, the Public Service Commission of Utah ("Commission") issued its report and order in Docket No. 13-035-184 ("Order"), approving an uncontested settlement stipulation and declining to implement PacifiCorp's proposed net metering facilities charge. The Order references the following provision from Utah Code Ann. § 54-15-105.1, the law guiding the Commission's consideration of the proposed net metering charge.

The governing authority shall:<sup>1</sup>

- (1) determine, after appropriate notice and opportunity for public comment, whether costs that the electrical corporation or other customers will incur from a net metering program will exceed the benefits of the net metering program, or whether the benefits of the net metering program will exceed the costs; and
- (2) determine a just and reasonable charge, credit, or ratemaking structure, including new or existing tariffs, in light of the costs and benefits.

Recognizing the importance of the issues raised by parties in the rate case, the Commission established this docket to examine the costs and benefits of PacifiCorp's net metering program. The first step of this process was the technical conference held in this docket

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<sup>1</sup> The term "governing authority" in the context above is defined to mean the Commission. *See* Utah Code Ann. § 54-15-102(8)(b).

on November 5, 2014, during which PacifiCorp presented its plan for performing a load research study focused on residential net metered customers, and its schedule for the study's completion. We recognize the data from this load research study is relevant to an examination of PacifiCorp's net metering program and will not be available until PacifiCorp's load research study is substantially complete. PacifiCorp represents this will be in September 2015. Accordingly, we will examine the costs and benefits of PacifiCorp's net metering program in steps.

In the next step, we intend to establish the appropriate analytical framework for making the required determinations under Utah Code Ann. § 54-15-105.1. Such a framework will include the types of analyses that must be performed, the components of costs and benefits to be included in the analyses, and the sources and time period of data inputs. We intend to make a decision on this framework by the end of the third quarter of 2015.

The Commission envisions that a collaborative process including technical conferences will be a key feature in this step of the docket. Interested parties will have the opportunity to provide written comments as needed to narrow issues where disagreements on the appropriate framework arise. An initial notice of comment period regarding the types of analyses that need to be conducted is provided below. Also provided below is a notice of scheduling conference at which the Commission intends to identify dates for technical conferences and address further procedural issues as necessary.

In a further phase of this docket, a general rate case or other appropriate proceeding, the Commission will examine the costs and benefits that result from applying data to the approved analytical framework, as such results are presented by interested parties, and

ultimately make the required determination under Utah Code Ann. § 54-15-105.1(2) (*i.e.*, whether a charge, credit or other ratemaking structure is just and reasonable in light of the costs and benefits of the net metering program).

**NOTICES OF COMMENT PERIOD**

As discussed at the November 5, 2014, technical conference, the Commission invites interested parties to provide comments on PacifiCorp's plan and schedule for performing a load research study on residential net metered customers. Additionally, the Commission is interested in any recommendations for regulatory actions that could be undertaken to encourage residential net metered customers to participate in PacifiCorp's load research study. Interested parties may file such comments by **Friday, December 5, 2014**. Reply comments may be filed by **Friday, December 19, 2014**.

We next invite comments by interested parties on whether the traditional costs and benefits test equations (e.g., the utility cost test, the total resource cost test, the ratepayer impact measure test, and the participant test) and metrics (e.g., benefit to cost ratio) used to evaluate utility-sponsored demand side management programs can and should be applied to examining the costs and benefits of PacifiCorp's net metering program. In our order in Docket No. 09-035-27, we approved the use of such tests for the evaluation of utility-sponsored small-scale renewable resource programs.<sup>2</sup> We request comment on the applicability of some or all of these tests, or description of any other type of analysis, for examining the costs and benefits of PacifiCorp's net metering program.

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<sup>2</sup> See *In the Matter of the Proposed Revisions to the Utah Demand Side Resource Program Performance Standards*, Docket No. 09-035-27 (Order; October 7, 2009).

We request that interested parties consider the consistency of any proposed analysis with the statutory definition or requirements of the net metering program. We also request parties comment on whether the types of analyses to be used will vary depending on whether the analysis examines residential or non-residential net metered customers. Interested parties may file such comments by **Friday, February 6, 2015**. Reply comments may be filed by **Friday, February 20, 2015**.

**NOTICE OF SCHEDULING CONFERENCE**

A scheduling conference will be conducted by the Commission's designated Presiding Officer on **Thursday, January 8, 2015, at 10:00 a.m. (MST), Fourth Floor Room 401**, Heber M. Wells Building, 160 East 300 South, Salt Lake City, Utah. Parties should come prepared to discuss dates and topics for further technical conferences to be held in this docket, and any other necessary procedural issues.

Individuals wishing to participate by telephone should contact the Public Service Commission two days in advance by calling (801) 530-6716 or (toll-free) 1-866-PSC-UTAH (1-866-772-8824). Participants attending by telephone should then call the Public Service Commission at one of the numbers posted above five minutes before the conference to ensure participation.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during any proceeding 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 conference.

DOCKET NO. 14-035-114

- 5 -

DATED at Salt Lake City, Utah this 21<sup>st</sup> day of November, 2014.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg  
Commission Secretary  
DW#262159

CERTIFICATE OF SERVICE

I CERTIFY that on the 21<sup>st</sup> day of November, 2014, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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