



Testimony of Utah Citizens Advocating Renewable Energy (UCARE) to the Utah Public Service Commission.

In the Matter of the Investigation of the Cost and Benefits of PacifiCorp's Net Metering Program, Docket #14-035-114

August 9, 2017

Thank you for this opportunity to submit testimony on behalf of Utah Citizens Advocating Renewable Energy (UCARE) with regard to the Docket #14-035-114 Compliance Filing of PacifiCorp, dba. Rocky Mountain Power. UCARE is an all-volunteer, citizens group formed in 2014. We appreciated the Commission's recognition of us as an intervening party at that time and subsequent opportunities for input to this very important regulatory proceeding.

UCARE's position is that Rocky Mountain Power --herein also referred to as "the Company" and "the utility"-- should be denied any net metering rate changes --permanent or provisional-- until the need for such changes has been established in the context of a general rate case and so determined by the Public Service Commission at the conclusion of that GRC.

UCARE does not believe that the Company's November 9, 2016 Compliance Filing fulfills its obligations under the Commission's November 2015 Order for reasons presented by numerous intervening parties to Docket 14-035-114. Nor does the Company's Compliance Filing substantiate its tariff change proposal also presented November 9, 2016 under Docket #16-035-T14.

UCARE agrees with other docket interveners that Rocky Mountain Power's proposed rooftop solar rate hike request constitutes "single issue" ratemaking that discriminates against one subset of the Company's customer base. We are also concerned that imposition of the Company's new "demand" charge would set a precedent that the Company could later apply to other residential ratepayers.

UCARE is aware that the traditional, fossil-fuel laden energy paradigm is shifting in Utah as it is across the nation. The rise of clean, distributed renewable energy resources that has so dismayed Rocky Mountain Power, PacifiCorp, and ultimately Berkshire Hathaway is but part of a transition toward smarter, more efficient energy production and consumption patterns.

Conditions that motivate the Company to restrict the growth of rooftop solar have implications for all ratepayers and the general public. A general rate case is the proper context in which to provide new energy realities and the utility's concerns a forum for broader-scope examination and impacts analysis.

While UCARE feels that Rocky Mountain Power's cost-of-service study undervalued net-metered rooftop solar resource benefits and overstated its costs, we are also disappointed that the utility's cost-shifting from its shareholders to ratepayers and the general public was ignored in its study.

UCARE members accept the unambiguous connection between human activity --especially fossil fuel combustion-- and environmental degradation linked to rising health care costs and other negative economic impacts. We agree with the recent op-ed comment of Salt Lake City Mayor Jackie Biskupski that there needs to be "an accounting for the true cost to our environment of burning fossil fuels."

The ability of Rocky Mountain Power to retain utility rates that do not reflect these costs means that the so-called "externalities" are paid by the general public instead. This is a subsidy from the public to the utility, its shareholders, and the fossil fuel industry.

Rocky Mountain Power protests that cost-shifting is occurring between rooftop solar and non-solar residential customers. In this, the Company is somewhat correct, although it has the cost-shift backwards. Those customers who have invested in rooftop solar energy --produced and consumed locally-- reduce the amount of polluting fossil fuels the utility would otherwise burn and ship as energy over long, costly transmission lines.

Rooftop solar customers are thus saving money for non-solar customers. This cost-shift has been on the backs of rooftop solar customers. In addition, the externalized costs are shifted onto solar customers, energy efficient customers, and the general public by energy users who enable the Company's continued heavy reliance on fossil fuels, especially coal.

In its July 25, 2017 rebuttal testimony, the Office of Consumer Services stated that externality factors--even if quantifiable-- should not be addressed in the current rooftop solar docket. If at all, externality valuation should be applied to all resource acquisition dockets. While UCARE's position is that externalities should be factored into the current proceeding, we feel that externality valuation would be relevant to other energy-resource related and ratemaking proceedings.

In the interests of determining fair and reasonable energy policy, UCARE urges the Commission to authorize an investigative proceeding focused on assessing and comparing environmental, health, and economic cost-benefit values for all energy resources within your purview. This proceeding could be part of a new renewable energy export compensation proceeding, which UCARE also supports.

To conclude: UCARE objects to Rocky Mountain Power's three-part rooftop solar rate hike request, which was based on a cost-of-service Compliance Filing we feel is inadequate. We hope the Commission will order a more up-to-date and comprehensive study conducted by an independent party, not the utility.

No rooftop solar rate change should occur before the conclusion of the next general rate case. The value of until-now externalized costs and benefits should be assessed for all energy resources, including rooftop solar, and for all affected parties including the general public.

Thank you very much for your service to all Utahns.

Stanley T. Holmes  
UCARE Outreach Coordinator  
<stholmes3@xmission.com>



- WHEREAS, Salt Lake City municipal government has, through its *Climate Positive 2040* strategic plan, prioritized a near-term transition from carbon-generated electricity to clean renewable energy as a means of protecting the public health and safety of its residents; and,
- WHEREAS, Salt Lake City Mayor Jacqueline Biskupski and every member of the Salt Lake City Council on November 1, 2016 signed a joint resolution *Establishing Renewable Energy and Carbon Emissions Reduction Goals for Salt Lake City* that includes 100% renewable electricity city-wide by 2032 and carbon emissions reduction of 80% (from the 2009 baseline) by 2040; and,
- WHEREAS, the joint resolution acknowledges that "there is scientific consensus regarding the reality of climate change and the connection between human activity, especially the combustion of fossil fuels that create greenhouse gases, and warming of the planet", and that Salt Lake City is "already feeling the effects of climate change locally through increased temperature, changes in water systems, extreme weather events and other disruptions that threaten our economy, residents and overall quality of life;" and,
- WHEREAS, Salt Lake City's electricity provider, PacifiCorp [dba. Rocky Mountain Power], generates much of its electricity by burning fossil fuels and plans to do so for the next 20 years; and,
- WHEREAS, Salt Lake City's *Clean Energy Implementation Plan* recognizes that rooftop solar investments "contribute towards the 100% renewable electricity goal" while creating local jobs; and,
- WHEREAS, Rocky Mountain Power has filed a rate increase request with the Utah Public Service Commission for a new, three-part rate for its rooftop solar net-metering customers that would double the monthly customer charge to \$15, impose a "demand" charge of \$9.02 times the monthly kilowatt peak, and reduce by 64 percent --from 10.7 cents to 3.8 cents-- the rate of compensation for solar energy exported to the grid; and,
- WHEREAS, the proposed rate increase may adversely affect the future of solar installations through Salt Lake City and Utah, and undermine the City's *Climate Positive 2040* strategic plan and the associated renewable energy and carbon emissions reduction goals.

NOW THEREFORE, be it resolved by the CHNC as follows:

1. SUPPORTS the Salt Lake City municipal government's commitment to achieve its strategic goal of transitioning from fossil fuels to renewable energy sources including rooftop solar; and,
2. CALLS UPON the Utah Public Service Commission (PSC) to DENY Rocky Mountain Power's solar net-metering rate increase request; and,
3. URGES the PSC to direct Rocky Mountain Power to develop an energy generation system and corresponding rate structure that does not perpetuate dependence on fossil fuels, but gives preference to renewable energy sources and the conservation of natural resources.

Passed and adopted this 10th day of July, 2017

*Janae Williams*  
Chair, CHNC

August 9, 2017

I appreciate the opportunity to comment today. I live in sunny Ivins near St. George and have traveled 4-5 hours to attend this public meeting. I'm a retired 20-year oil and gas employee, and I have great concerns about the climate change issues facing us, which tie directly to the future of fossil fuels and solar. During my career I was proud of that work, but I have come to realize how much energy is wasted. Americans expect cheap, available energy, but I see the waste and harm to our environment everywhere. It's been subsidized too long. A new future is needed.

Fortunately, solar is taking off in Utah. Even in Saratoga Springs, where conservative leader Mia Love served as mayor, solar on rooftops are everywhere. In Southern Utah solar is really gaining momentum. My conservative town of Ivins has embraced solar. I would hate to see that stopped.

For more than ten years I participated in Rocky Mountain Power's Blue Sky program thinking I was doing my part to help promote a new future. In 2016 I cancelled when I saw the company working to undermine renewable energy while raising my rates. My partner and I recently installed solar. Fortunately, I am a citizen who can afford to get off grid if needed. Others may not be that lucky. Friends installed solar on a lease basis after running the economics. They now may be facing harmful rate increases while going off grid is not an option. Shareholder profits should not take precedence over customers, but companies such as RMP have no obligation to citizens to provide a service at a fair price. Fortunately we have entities such as you, our Public Service Commission, to help balance things.

Much of RMP's effort is driven by fossil fuel development pressure. But perhaps Utah's fossil fuel focus is changing. At this year's Rural Summit, rural leaders were encouraged to take a new, fresh look at what their communities' futures should be not just fall back on the old fossil fuel economies.

A Summit County Commissioner testified that his county and others have established community-level renewable energy and pollution reduction goals that may be impacted by the outcomes of this commission's decision.

Energy we produce is helping our neighbors, helping Rocky Mountain Power to defer capital costs for new facilities and defray long distance transmission energy losses. The fossil-fuel energy that we are no longer using is not costing my neighbors. Information provided by Rocky Mountain Power does not clearly show that net metering customers are directly increasing costs for non-participating customers.

Finally, the legislature's NEM Statute may have tied your hands. That said, I feel RMP's peak hour load study is flawed, but if the Public Service Commission chooses to rely on it, it is unfair for the study to focus exclusively on residential. All solar customers – including commercial – should be evaluated. My preference, however, would be for you to simply deny Rocky Mountain Power's rate increase request.

A handwritten signature in cursive script that reads "Lisa Rutherford". The signature is written in black ink and is positioned above a horizontal line.

Lisa Rutherford

My name is Jim French and we've had solar panels on my house since 2009. ~~we~~ currently produce about 85% of our power from the sun.

In 2008, 9 years ago, I attended Net Metering meetings in this very building. In 2008, excess residential solar production was credited at the wholesale rate, about 3.8 cents at the time. Because of that wholesale rate credit plus the high price of solar, only the greenest of the tree huggers installed solar panels on their houses.

During the Net Metering meetings in 2008, Mr. Dave Eskelsen and the Company lawyers were very confident that there was no way that the Public Service Commission would rule in favor of crediting excess residential solar production at the retail rate, but the PSC DID in fact, do just that! As a result of this plus solar's reduced costs, residential solar pv installs have been slowly increasing in our state and over ~~4000~~ 4,400 people are employed by the solar industry in Utah.

Now, Rocky Mountain Power wants to burden new residential solar customers with:

1. "Avoided Costs" crediting for excess residential power production
2. A \$13 monthly charge
3. A demand charge of at least \$8.25 per month
4. A \$60 application fee

*Stan Holmes*

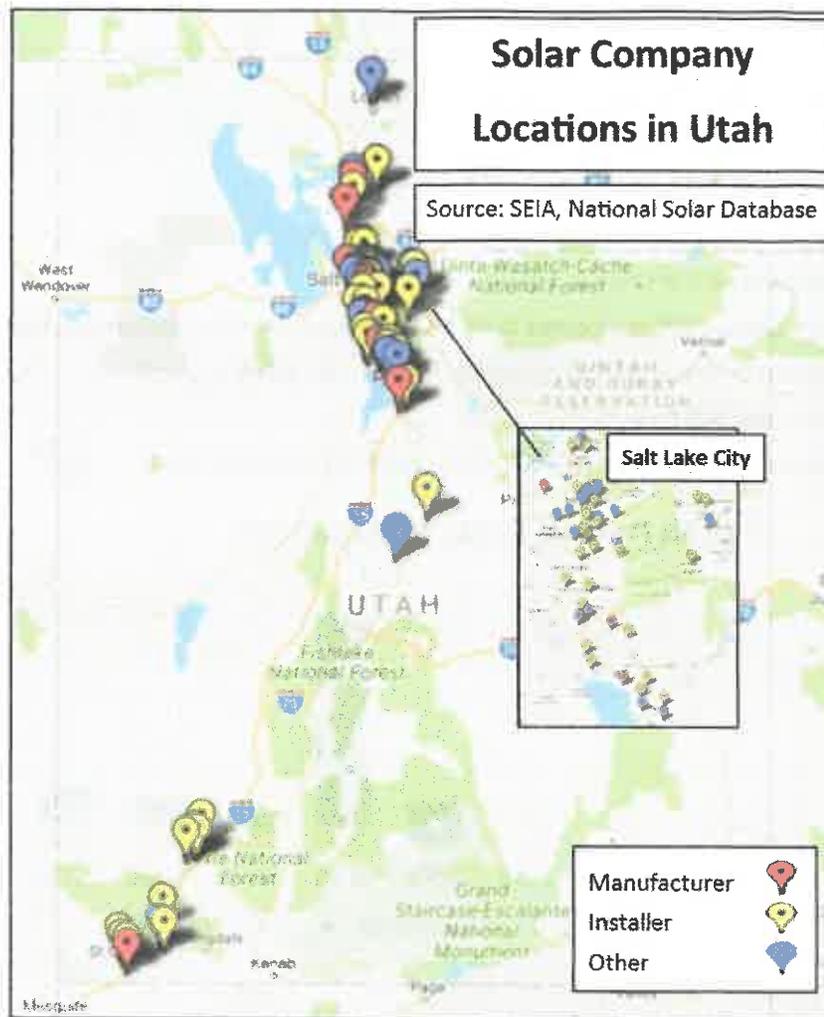
I've read UCARE's excellent summation and admire their ability to make this halfway understandable. It IS complicated!!

Is a Kilowatt Hour produced on my roof worth a Kilowatt Hour produced by one of Rocky Mountain Power's power plants? I think so.

Should new solar customers be punished financially for wanting to produce clean energy from the sun? I think not.

I urge the PSC to look FORWARD on this matter, not to the past.

Thanks,  
Jim French  
1604 E. Harvard Ave  
Salt Lake City, UT 84105  
RentTheSun@gmail.com

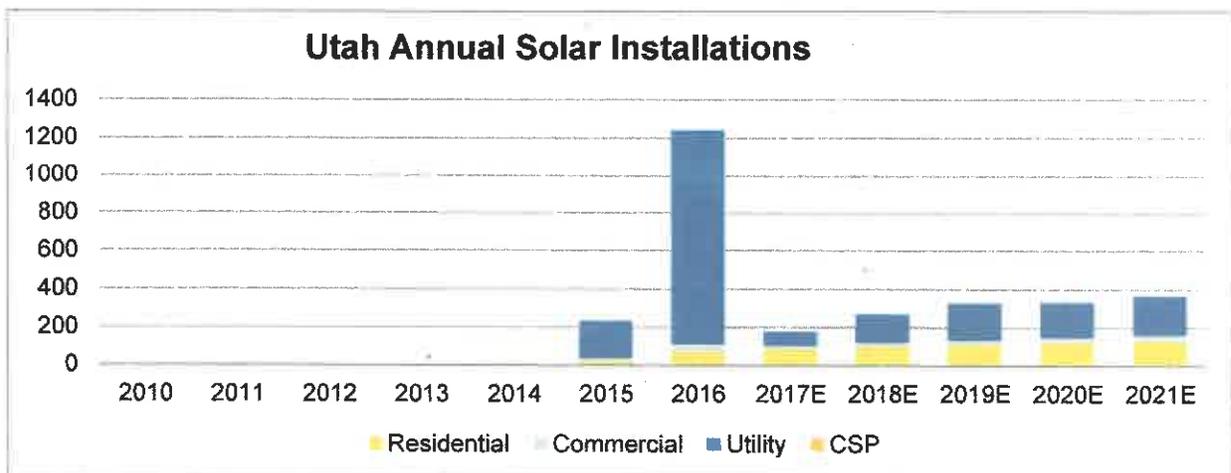


<sup>i</sup> All data from SEIA/GTM Research *U.S. Solar Market Insight* unless otherwise noted: <http://www.seia.org/research-resources/us-solar-market-insight>  
<sup>ii</sup> Energy Information Administration, *Electric Power Monthly*: <http://www.eia.gov/electricity/monthly/#generation>  
<sup>iii</sup> The Solar Foundation, *State Solar Jobs Census*: <http://www.thesolarfoundation.org/solar-jobs-census/states/>  
<sup>iv</sup> SEIA, *National Solar Database*: <http://www.seia.org/research-resources/national-solar-database>  
<sup>v</sup> SEIA, *Major Solar Projects List*: <http://www.seia.org/research-resources/major-solar-projects-list>  
<sup>vi</sup> Ibid  
<sup>vii</sup> SEIA, *Solar Means Business*: <http://www.seia.org/campaign/solar-means-business-2016>

Established in 1974, the Solar Energy Industries Association® is the national trade association of the U.S. solar energy industry. Through advocacy and education, SEIA® is building a strong solar industry to power America. As the voice of the industry, SEIA works with its 1,000 member companies to champion the use of clean, affordable solar in America by expanding markets, removing market barriers, strengthening the industry and educating the public on the benefits of solar energy. [www.seia.org](http://www.seia.org)

## AT A GLANCE

- **Solar Installed:** 1,526.6 MW (1,240.8 MW in 2016)<sup>i</sup>
- **National Ranking:** 7th (2nd in 2016)
- **State Homes Powered by Solar:** 300,000
- **Percentage of State's Electricity from Solar:** 3.56%<sup>ii</sup>
- **Solar Jobs and Ranking:** 4,408 (14th in 2016)<sup>iii</sup>
- **Solar Companies in State:** 108 companies total; 18 Manufacturers, 52 Installers/Developers, 37 Others<sup>iv</sup>
- **Total Solar Investment in State:** \$2,141.59 million (\$1,600.06 million in 2016)
- **Price Declines:** 64% over last 5 years
- **Growth Projections and Ranking:** 1,463 MW over next 5 years (ranks 19th)



## NOTABLE PROJECTS

- Utah Red Hills Renewable Energy Park was completed in 2016. This photovoltaic project has the capacity to generate 104 MW of electricity -- enough to power over 20,419 Utah homes.<sup>v</sup>
- Several large retailers in Utah have gone solar including IKEA, Patagonia and Uinta Brewing Company. IKEA has installed one of the largest such installations with 1 MW of solar capacity at their location in Draper.<sup>vi</sup>
- At 3 MW, Buckhorn Solar Plant in Paragonah is among the largest solar installations in Utah. This project has enough electric capacity to power more than 589 homes.<sup>vii</sup>