



MURRAY CITY CORPORATION

Blaine Haacke, General Manager
801-264-2730 FAX 801-264-2731

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Utah Public Service Commission
Fourth Floor
Heber Wells Building
160 East 300 South
Salt Lake City, Utah 84111

Docket No. 14-035-114

Dear Public Service Commission:

As the General Manager of Murray City Power Department ("Murray"), a municipal system providing electricity to the majority of Murray City citizens, I want thank you for the opportunity to comment on an issue that is very concerning and important to us. Murray was originated in 1913 and has been a reliable, fairly priced provider of power for years. Through the years, Murray has had to be flexible and malleable as technology and innovation have changed and molded the electrical industry. The recent innovation of distributed solar generation has again caused the City to address an ongoing issue not unlike those from the past hundred years of its history.

Approximately 50% of Murray's resource portfolio, which consists of large and small hydro as well as captured methane, is renewable.

One of Murray's concern today is the increased emphasis and development of roof top solar. Murray was one of the first municipal utilities to initiate and implement a one for one net metering rate for its customers over ten years ago. At the time, Murray had only one solar customer. The rate seemed simple and worked for the customer and Murray. Through the years, more and more solar arrays have been installed. It is now apparent that the net metering rate currently being used by Murray is no longer feasible and fair to the system and other customers. Murray is investigating a change to its current net metering rate.

The past months have been of particular interest as we have watched the rate hearing processes of Rocky Mountain Power ("RMP"), Provo City, Kaysville City and Bountiful City as well as other rate changes in the UMPA and UAMPS organizations. Each city has passed what they felt was a fair and equitable rate. None of the rates were identical. Each city did what it felt it could do politically and equitably. Murray is preparing to present its solar rate to its Council and Mayor at some time in the near future. It has learned from the processes of the other local entities. We hope to offer a rate that is fair to all involved.

So, with that being said, Murray wants the PSC to know that it is anxiously watching the docket 14-035-114 that is presently being examined at the Commission. We understand the concerns of RMP. They are the same concerns as ours. We feel the need to protect the equitable service costs to all customers. We realize the impact of the solar customers on our system and want to welcome them, but at the same time we need to protect the remaining non-solar customers.

Like all IOU, co-op and municipal utilities, Murray is struggling with a fair and equitable solar rate to offer to new and existing solar customers. We are aware of the ramifications of solar costs on our system. We have concerns with the quality of power, duration of generation and impact on our substations, relaying and system in general. These are concerns that we know we can work out with a methodical, fair approach.

Murray has examined the proposed RMP solar rate and although the proposed RMP rate might not exactly be what Murray would present to its Council, the conceptual idea and goal is the same - making sure each customer, solar or non-solar, pays for their fair share of the service provided. We support RMP and the other Utah co-ops and municipal entities in this endeavor. Each of our rates will probably take on a different tone or functionality, but fairness will be the underlying tone.

Murray understands the complexity of the issue and knows firsthand of the potential volatility of any decision that will be made by the PSC. And finally, we would hope that the PSC realizes the impact of rate action decisions affects not only RMP but possibly the bigger Utah arena as we all work together for a fair and equitable resolution. Thank you for the opportunity to comment.

Sincerely,

Blaine Haacke
General Manager Murray City Power