



We Partner to Build the New Clean Energy Economy

July 7, 2014

VIA HAND DELIVERY

UTAH PUBLIC SERVICE COMMISSION
Heber M. Wells Building
160 East 300 South, 4th Floor
Salt Lake City, Utah 84111

Re: Docket No. 14-035-71—In the Matter of Rocky Mountain Power's Annual Report of the Results from the 2013 Program Year for the Solar Photovoltaic Incentive Program Offered through Schedule 107

Dear Public Service Commission,

On June 5, Rocky Mountain Power filed its annual report of the results from the 2013 program year for the Solar Incentive Program offered through Rate Schedule 107. On June 10, the Commission issued a notice of filing and comment period, inviting comments by July 7, 2014 (and reply comments by August 1). Utah Clean Energy appreciates the opportunity to comment on Rocky Mountain Power's solar incentive program and submits the following comments and recommendations regarding the first year of the program.

These Comments are organized into comments and recommendations on 1) the residential incentive program, 2) the small non-residential incentive program and 3) treatment of renewable energy credits.

1. Residential:

The residential category Solar Incentive Program lottery has been very competitive; 20% of residential applicants were awarded capacity in 2013, and 17% were awarded capacity in 2014. Over 80% of residential applicants who were offered capacity paid a deposit to secure their capacity incentive, and 61% had completed their projects by May 2014. Six projects were offered capacity after the initial enrollment when other customers withdrew from the program. If all of these projects are completed, 75% of the total capacity available for the residential category in 2013 will have been used.

Recommendations:

- Schedule a technical conference/stakeholder meeting to discuss barriers to participation in the small residential category and consider the following changes to the program:
 - Consider ways to limit applications to serious candidates.
 - Many installers submit applications on behalf of their customers. Consider ways to encourage installers to submit applications only for their most serious customers.

- Given that unused capacity was rolled over into the next year in 2013, consider how unallocated capacity would be awarded in the final year of the program.
- Decrease the incentive amount that is awarded to each customer in order to allocate the available funds across a larger pool of applicants and/or create a second tier residential incentive program with a higher incentive that serves low income housing.

2. **Small Non-Residential:**

In both 2013 and 2014, all small non-residential project applicants were offered capacity through the Solar Incentive Program. A significant number of small non-residential applicants did not put down a deposit to secure their capacity and forfeited their incentive award (48% in 2013 and 65% in 2014). In 2013, 59 small non-residential applicants paid a deposit to secure their capacity incentive, but did not complete their project within the allotted 12 months and surrendered a total of \$20,716.14 in deposits. Only 26% of the original applicants in the small non-residential category ultimately completed their projects; 26 additional projects were offered capacity after the initial enrollment window when other customers withdrew from the program, and these projects are ongoing. If all of these projects are completed, only 56% of the capacity available in the small non-residential category for 2013 will have been used.

Recommendations:

- Schedule a technical conference/stakeholder meeting to discuss barriers to participation in the small non-residential category and consider the following changes to the program:
 - Extend the time allowed for the completion of small non-residential projects from 12 months to 18 months, as is the case with the large non-residential category.
 - Raise the cap on the size of a small non-residential project from 25 kW to 100 kW.
 - Provide a different application process for small non-residential projects that makes it possible to screen for applicants who are more prepared to complete a solar installation.
 - Given that unused capacity from 2013 was rolled over into the next, consider how unallocated capacity should be awarded in the final year of the program.

3. **Renewable Energy Certificates**

According to the Commission order approving the solar incentive program, customers who participate in the Solar Incentive Program will credit Rocky Mountain Power with a fixed REC contribution equal to 0.28 MWh per incentivized kW per year for 20 years. The Public Service Commission's order in Docket No. 11-035-104 directs that system owners retain ownership of any RECs over and above that quantity.

As part of our involvement in the “U Community Solar Program,” Utah Clean Energy received an email from a solar installer implying that a PacifiCorp representative communicated that RECs in excess of the fixed REC contribution of 0.28 MWh per incentivized kW are nevertheless “assumed” by (credited to) Rocky Mountain Power *unless* the system owner officially registers them. If this is the case, then Rocky Mountain Power is, in practice, assuming 100% of RECs when system owners do not register them.

Reducing one’s environmental footprint and being able to claim the renewable attributes of their solar panels is one of the driving motivators for many system owners who decide to install solar, whether or not they are motivated or sophisticated enough to register RECs with an agency such as WREGIS. Therefore, Utah Clean Energy recommends that the Commission investigate this issue to ensure that system owners automatically retain the appropriate ratio of renewable energy attributes associated with their installations.

Recommendations:

- Clarify the process by which RECs are credited to Rocky Mountain Power (and retained by PV system owners) to ensure that it is in compliance with Docket No. 11-035-104.
- Include a record of the RECs obtained through the Solar Incentive Program in the Annual Report.

Sincerely,

Kate Bowman,
Solar Project Coordinator
UTAH CLEAN ENERGY

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 7th day of July, 2014 on the following:

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/s/ Sophie Hayes