



Utah Solar Incentive Program

2014 Annual Report

Executive Summary

In Docket No. 11-035-104, Rocky Mountain Power (“Company”) received approval to offer an expanded Solar Photovoltaic Incentive program. On August 10, 2012, Rocky Mountain Power filed an Application for Approval with the Public Service Commission of Utah (“Commission”) requesting authority to implement a Solar Incentive Pilot program (“Program”), which was approved by the Commission on October 1, 2012. In the initial order approving the Program, the Commission directed the Company to provide annual reports on the Program containing information on the number of applications, the number and size of completed projects, generation data for large systems, and the number, if any, of surrendered deposits. This is the first report provided pursuant to the Commission’s direction and presents information on the program results through May 20, 2014. Complete information for all projects accepted in the 2013 program year is not available at the time this report is drafted as the time allotted to complete the projects has not elapsed. The report instead will focus on the results from the 2013 Capacity Reservation period held in January 2013, with the expectation that complete 2013 results will be provided in the report filed in June of 2015.

Goals of the Program

The intent of this Program is to encourage the development of 60 Megawatts of distributed solar generation capacity over the 5+ years of the program. In order to accomplish this, Rocky Mountain Power will provide a rebate style incentive to customers who install distributed solar generation facilities after being accepted into the program.

Key Dates, Data and Activities for 2013 Program

- Applications were accepted for two weeks beginning January 15, 2013 and concluding January 28, 2013. A lottery was conducted to assign queue position for all applications. Customers were then notified of acceptance into the program in order of queue position.
- 2013 Program capacity: Residential: 500 kW; Small Non-Residential 3 MW; Large Non-Residential 3 MW.
- The 2013 Program employed a waiting list. Applicants on this list were offered capacity in the program if a previously approved applicant did not pay the reservation deposit, withdrew or canceled their project. As such, participant numbers fluctuate throughout the year as accepted projects are removed from the program, and reservations are offered to other customers on the waiting list.
- The percentage of projects that failed to pay the deposit in the Small Non-Residential program sector was unexpectedly high. In that program sector, all projects on the waiting list from the January capacity reservation period were offered capacity and there was still significant available capacity. In order to fill this program sector, Rocky Mountain Power reopened the application process on May 8, 2013 to accept projects on a first come, first served basis. Within 40 minutes, the Company received applications sufficient to fill the remaining capacity and develop a small waiting list.

Summary of 2013 Results as of October 23, 2014

The following tables summarize the results from the 2013 program year for the Utah Solar Incentive Program. The results suggest that there was significant interest in the program, with 1,433 total applications submitted. This is especially true in the Residential program sector, where 1,040 applications with a total capacity of 4,192 kW were submitted to participate in the 500 kW program. However, these results are tempered by the high percentage of initial applicants that did not pay the security deposit after being selected to participate in the program. The lack of deposit payment was especially dramatic in the Small Non-Residential program sector where only 55% of initially selected projects paid the deposit. Table 1 below shows the total number of applications submitted, while Table 2 shows the total kW of the projects associated with those applications.

Table 1. 2013 Program Applications

	Residential	Small Non-Res	Large Non-Res	Total
Received	1,040	319	74	1,433
Incentive Offered	211	319	25	555
Incentive Offered- Did Not Pay Deposit	39	152	13	204
Incentive Offered- Paid Deposit	172	167	12	351
Completed- As of October 23, 2014	130	94	3	227

Table 2. 2013 Program Capacity kW ^{CSI-AC}

	Residential	Small Non-Res	Large Non-Res	Total
Received	4,192 kW	6,033 kW	19,286 kW	29,511 kW
Incentive Offered	615 kW	6,033 kW	4,621 kW	11,269 kW
Incentive Offered- Did Not Pay Deposit	124 kW	3,061 kW	1,791 kW	4,976 kW
Incentive Offered- Paid Deposit	491 kW	2,972 kW	2,829 kW	6,292 kW
Completed- As of October 23, 2014	358 kW	1,685 kW	1,023 kW	3,066 kW

At this point, 10 projects are currently active from the 2013 Program year.

Table 3. Currently Active Applications as of October 23, 2014

	Residential	Small Non-Res	Large Non-Res	Total
Projects	0	5	5	10
kW ^{CSI-AC}	0 kW	77 kW	1,643 kW	1,720 kW

Surrendered Deposits

Currently, 114 customers have paid the deposit and then failed to complete the project. Customers in the residential and small commercial program sectors have 12 months and large non-residential projects have 18 months after being notified of acceptance into the program to build their project. Only at that point is their deposit forfeit if the project is not installed.

Table 4. 2013 Surrendered Deposits

As of May 15, 2013	Residential	Small Non-Res	Large Non-Res	Total
Quantity	42	68	4	114
Amount	\$4200	\$25,060.40	\$2,799.40	\$32,059.80

Carry Forward Capacity for 2014 Program Year

Capacity from projects that receive reservations but are not completed is carried forward and offered to program applicants from future program years. In order to determine the amount of additional capacity, the remaining capacities value is determined and then converted into additional capacity at the current program year's incentive level.

Table 5. 2014 Additional Capacity

	2013 Remaining Capacity (kW)	2013 Incentive Rate	Rollover Funds (Cap x Inc. Rate)	2014 Incentive Rate	2013 Rollover Capacity (kW)	2014 New Capacity	Total 2014 Capacity as of October 23, 2014
Residential	142.34	\$1.25	\$177,925.00	\$1.20	148.271	500	648.271
Small Non-Residential	1237.822	\$1.00	\$1,237,822.00	\$0.95	1302.971	3500	4802.971
Large Non-Residential	333.469	\$0.80	\$266,775.20	\$0.75	355.700	6000	6355.700

Summary of 2014 Preliminary Results as of October 23, 2014

The following tables summarize the results from the reservation period for the 2014 program year for the Utah Solar Incentive Program. The Company is still offering reservations to customers on the waiting list when capacity comes available.

Table 6. 2014 Program Applications

	Residential	Small Non-Res	Large Non-Res	Total
Received	1,466	513	89	2,068
Incentive Offered	248	513	33	794
Incentive Offered- Did Not Pay Deposit	67	336	13	416
Incentive Offered- Paid Deposit	181	177	20	378
Completed- As of October 23, 2014	74	22	2	98

Table 7. 2014 Program Capacity kW_{CSI-AC}

	Residential	Small Non-Res	Large Non-Res	Total
Received	6,077 kW	10,030 kW	24,448 kW	40,555 kW
Incentive Offered	845 kW	10,030 kW	8,716 kW	19,591 kW
Incentive Offered- Did Not Pay Deposit	236 kW	6,701 kW	2,663 kW	9,600 kW
Incentive Offered- Paid Deposit	609 kW	3,329 kW	6,054 kW	9,992 kW
Completed- As of October 23, 2014	325 kW	378 kW	266 kW	969 kW

System Specific Information

Attachment A of this document includes more specific information for completed projects that received funding through the Utah Solar Incentive Program. Specifically included in the attachment is the size of the system in both kW_{DC} and kW_{CSI-AC} quantities, the amount of incentive the project received, and the general location of each system.

Production Meter Data

In compiling the production data for the two large non-residential projects that have been completed problems with the production meters were identified. The Company is currently working with both projects to ensure that data moving forward is collected correctly.

Program Account Summary

Table 8. USIP Account Summary

Utah Solar Incentive Program Account - Through September 30, 3014				
	Program Total	2012	2013	2014
Program Revenue	(12,033,158)	(947,702)	(6,266,287)	(4,819,169)
Program Expenditures				
Incentives		0	981,796	1,878,313
Program Administration		0	253,665	163,550
Program Development		55,905	35,744	6,753
Marketing		30,748	99,140	412
Total Expenditures	3,506,026	86,653	1,370,345	2,049,028
Interest	(554,415)	(5,995)	(219,165)	(329,255)
USIP Account Balance	(9,081,547)			