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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Rocky Mountain Power's Proposed Revisions to Electric Service Schedule 32, Service from Renewable Energy Facilities	Docket No. 14-035-T02
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**PREFILED DIRECT TESTIMONY OF BRENT GILES
ON BEHALF OF POWDR CORP.**

Powdr Corp. hereby submits the Prefiled Direct Testimony of Brent Giles in this docket.

DATED this 9th day of September, 2014.

/s/ _____
Gary A. Dodge,
Attorney for Powdr Corp.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 9th day of September 2014 on the following:

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/s/ _____

BEFORE
THE PUBLIC SERVICE COMMISSION OF UTAH

Direct Testimony of Brent Giles

on behalf of

Powdr Corp.

Docket No. 14-035-T02

September 9, 2014

1 **INTRODUCTION**

2 **Q: Please state your name and business address.**

3 A: My name is Brent Giles. My business address is 1790 Bonanza Drive, Suite
4 W-201, Park City, Utah 84060.

5 **Q: By whom are you employed and in what capacity?**

6 A: I am the Chief Sustainability Office for Powdr Corp., a private family-owned
7 company whose mission is to share, inspire, and celebrate lifestyle and mountain
8 sports. We work to stop energy waste, create clean energy and build a smart
9 energy future. Powdr's core values allow its businesses to provide the most
10 enjoyable and safe experiences possible, thereby promoting, retaining, and
11 growing the industry. As we grow, we are dedicated to seeking opportunities to
12 minimize our environmental impact and encourage company-wide sustainability
13 programs and initiatives.

14 **Q: On whose behalf are you testifying?**

15 A: I am testifying on behalf of Powdr Corp.

16 **Q: Please provide your professional experience and qualifications.**

17 A: I have been the Chief Sustainability Officer for Powdr Corp. since March 2012.
18 Prior to the creation of this position I had worked for 32 years with Powdr Corp.,
19 and since 2006 had been the Director of Environmental Affairs. Since 2006
20 Powdr Corp. has cut its carbon footprint by more than half, which is the
21 equivalent of the annual greenhouse gas emissions of more than 30,000 passenger

22 vehicles. In 2008 Powdr Corp. received the Green Power Leadership Award from
23 the U. S. Environmental Protection Agency.

24 The environmental initiatives at Park City Mountain Resort, one of
25 Powdr's eight resorts, have resulted in numerous awards including the Clif Silver
26 Eagle Awards for Excellence in Energy Conservation and Clean Energy, NSAA
27 Golden Eagle Award for Environmental Excellence, and an "A" ranking from
28 the Ski Area Citizens Coalition (SACC). Most recently, for the third year in a
29 row, the Resort received an Energy Star Business Certification for its Team
30 Building, which is the only commercial building in Park City to have such a
31 designation.

32 **OVERVIEW AND CONCLUSIONS**

33 **Q: What is Powdr Corp's interest in this docket?**

34 A: In order to further our goals to protect the environment, and be wiser in our use of
35 resources, Powdr Corp. is pursuing the construction of a waste-heat electrical
36 power generating facility to be located in Utah County. This facility will capture
37 waste-heat from the Kern River gas pipeline which will be used in the recovered
38 energy generation plant to produce approximately 5MW of electrical power. It
39 has been our hope to transmit the power generated at this facility to our resort in
40 Park City to off-set our electrical usage at the resort. The passage of Senate Bill
41 12 (SB12) was crucial in our efforts to reach this goal. SB12 was passed with the
42 goal of helping companies who wish to produce or purchase power at remote sites
43 to use the power at their business locations. Hence, Schedule No. 32, Service

44 from Renewable Energy Facilities has become an important part of our renewable
45 energy goals and efforts.

46 **Q: What is the purpose of your testimony in this phase of the Docket?**

47 A: I address the Company's proposed administrative charges for multiple meters and
48 the one-size-fits-all approach to the proposal (where all technologies [wind, solar,
49 waste-heat recapture, etc.] are considered as having similar needs and
50 capabilities).

51 **Q: Please summarize your conclusions and recommendations.**

52 A: I have the following primary conclusions and recommendations:

- 53 • The proposed Schedule 32 is an overly-complicated schedule that makes
54 implementing SB12's intended outcomes a financially difficult and complex
55 process for waste-heat power generation;
- 56 • The administrative charges have not been adequately supported and appear
57 excessive. Excessive charges can ruin the financial viability of a project;
- 58 • Because of its complicated approach and rate structure, it may be simpler for
59 Powdr Corp. to use a Qualifying Facility approach rather than Schedule 32 as
60 proposed. This seems a perversion of the legislative intent behind SB12, and
61 may prove not to be financially viable.
- 62 • I question the validity of the back-up charges proposed by Rocky Mountain
63 Power. I do not believe that the limited amount of energy and capacity likely
64 to be transmitted under Schedule 32 warrants those charges.

65 **CONCLUSION**

66 **Q: Please further explain your primary recommendations for Schedule 32**
67 **pricing.**

68 A: For the foregoing reasons, and in an effort to encourage renewable energy
69 development in Utah, I recommend the following:

- 70 • Schedule 32 should be re-structured with a different approach for different
71 and diverse technologies. What works for solar and wind will not necessarily
72 be viable for waste-heat generation;
- 73 • Assumed administrative costs should be reduced, particularly if very few
74 companies use Schedule 32 within the next few years, as seems likely. With
75 few companies pursuing power generation under Schedule 32, administrative
76 costs to the Company would be negligible. Fees could be adjusted
77 accordingly. If many companies seek to use Schedule 32, perhaps efficiencies
78 of scale will help to mitigate costs.
- 79 • The Company claims to have unbundled charges into different components
80 (transmission charges, distribution charges, and stand-by fees) in order to
81 arrive at their proposed rate structure/costs. This unduly complicates the
82 process rather than simplifies it. I do not believe that the proposed backup
83 and other charges are appropriate.
- 84 • Powdr Corp. would like to utilize SB12 in order to attenuate the impact of
85 electric production on Utah's ski industry. We have sought this approach and

86 had hoped SB12 would help us to develop a fair and simple method to enable
87 us to continue to make investment for more clean energy in Utah.

88 **Q: Does that conclude your testimony?**

89 **A: Yes.**