

PacifiCorp - Stakeholder Feedback Form

2015 Integrated Resource Plan

PacifiCorp (the Company) requests that stakeholders provide feedback to the Company upon the conclusion of each public input meeting and/or stakeholder conference calls, as scheduled. PacifiCorp values the input of its active and engaged stakeholder group, and stakeholder feedback is critical to the IRP public input process. PacifiCorp requests that stakeholders provide comments using this form, which will allow the Company to more easily review and summarize comments by topic and to readily identify specific recommendations, if any, being provided. Information collected will be used to better inform issues included in the 2015 IRP, including, but not limited to the process, assumptions, and analysis. In providing your feedback, PacifiCorp requests that the stakeholders identify whether they are okay with the Company posting their comments on the IRP website. Submit form and related documents to the IRP e-mail: IRP@PacifiCorp.com.

Yes No May we post these comments to the IRP webpage? Date of Submittal 10/31/2014
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Public Meeting Date comments address: Click here to enter date. Check here if not related to specific meeting
List additional organization attendees at cited meeting: Click here to enter text.

***IRP Topic(s) and/or Agenda Items:** List the specific topics that are being addressed in your comments.
Distributed Generation Resource Assessment Study

Check here if any of the following information being submitted is copyrighted or confidential.

***Respondent Comment:** Please provide your feedback for each IRP topic listed above.

I am submitting these comments on behalf of Utah Clean Energy. We are proposing PacifiCorp to model a sensitivity case assuming a higher incentive (under the Utah Solar Incentive Program) for commercial PV systems. See detailed comments below

Data Support: If applicable, provide any documents, hyper-links, etc. in support of comments. (i.e. gas forecast is too high - this forecast from EIA is more appropriate). If electronic attachments are provided with your comments, please list those attachment names here.
See detailed comments below

Recommendations: Provide any additional recommendations if not included above - specificity is greatly appreciated.

Comments on PacifiCorp's Distribution Generation Resource Assessment Study and Sensitivity Analysis

The Distribution Generation Resource Study by Navigant estimates the penetration of distributed generation that will take place amongst PacifiCorp's customers in the next twenty years. The Study estimates both technical potential and market penetration of different distributed generation resources across the PacifiCorp's service territory.

We appreciate the level of detailed analysis carried out in this report. Not only does it provide a base case for market penetration but also conducts assessment across cases when there might be low penetration and high penetration. The study shows that the technical potential for both PV-residential (2100 MW) and commercial (1580 MW) is highest in Utah. It states that under Utah's Distributed Generation Base Case the penetration is forecasted to reach as much as 750

* Required fields

MW by 2034. The study also shows that both residential and commercial PV projects have different payback periods, and the long payback period for commercial projects (even with the existence of Utah's Solar Incentive Program) will limit the development of commercial and industrial PV projects in the state.

We are satisfied with the estimation conducted for the residential sector. Figure 6-8 (UT Distributed PV Base Case, Near Term) in the study indicates that the current commercial and industrial incentives are structured in a way that they will not achieve the projected potential for commercial and industrial PV systems in the near term. The report clearly states that the non-residential portion of the PV Incentive program is not high enough to be able to achieve 60 MW of PV penetration by 2017.

The cost-effectiveness studies from Utah's solar incentive program docket, show there is room to increase the incentive under the program for non-residential customers. The Cost Effectiveness study by Cadmus submitted to Rocky Mountain Power on August 7, 2012 states that benefit/cost ratio under the utility cost test is at 1.75 (without free-ridership) and at 1.63 (with 7% free ridership). The study clearly mentions that the program design of the Solar Incentive Program is cost effective from Utah's threshold cost test (the utility cost test) perspective and hence there is still room for providing higher incentive to installing commercial and industrial scale PV projects. A higher incentive will reduce the payback period for commercial and industrial PV customers and also improve the market potential for this valuable resource.

We request a system optimizer sensitivity run with a higher commercial PV penetration case for Utah. This higher penetration of commercial PV in Utah can be supported by modelling a higher incentive for solar. While we understand that currently, the IRP is run using solar as a decrement to load, increasing the incentive for commercial customers may provide a very valuable resource for all customers, as the Company would only needs to pay the incentive amount, but receive a resource provides the bulk of its energy during the day during the third quarter when the Company and rate payers are heavily reliant on the market. Such a sensitivity analysis would be useful to evaluate whether this might be an economic resource for ratepayers and would help evaluate whether it makes sense to make adjustments to the solar incentive program for commercial and industrial customers.

Recommendation: We would like to recommend that PacifiCorp model one sensitivity case in the System Optimizer assuming the utility cost of a higher incentive (rather than a decrement approach) for commercial PV systems, in order to capture a scenario where commercial PV in Utah achieves higher penetration. Specifically, we recommend modeling at a flat rate incentive of at least \$0.90 per kilowatt or greater and running this scenario in the same manner as it was run during 2013 IRP. We would be pleased to discuss this further and work together with your team to determine the actual amount of incentive at which the payback periods for commercial and industrial projects are lower, that remain within the cost effective parameters. Thank you for your consideration of this request.

Thank you for participating.