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State of Utah  
DEPARTMENT OF COMMERCE  
Office of Consumer Services

MICHELE BECK  
Director

To: Utah Public Service Commission

From: Office of Consumer Services  
Michele Beck, Director  
Cheryl Murray, Utility Analyst

Date: July 1, 2015

Re: In the Matter of Rocky Mountain Power's Solar Photovoltaic Incentive Program (Schedule 107) 2015 Annual Report - Docket No. 15-035-57.

## Background

On June 1, 2015 Rocky Mountain Power (Company) filed its Solar Photovoltaic Incentive Program (Schedule 107 or Program) Annual Report for Program Year 2015 (2015 Report). On June 2, 2015 the Public Service Commission "Commission" issued a notice of filing and comment period inviting interested parties to submit comments on PacifiCorp's report on or before Wednesday, July 1, 2015, and reply comments on or before Thursday, July 16, 2015. Accordingly, the Office submits the following comments on the 2015 Report.

The 2015 Report is submitted in compliance with the Public Service Commission's (Commission) October 1, 2012 Order providing authority for the Company to implement a Solar Incentive Pilot Program and requiring that the Company provide annual reports on the Program.

Pursuant to the October 1, 2012 Order the solar photovoltaic incentive program annual reports are to include but not be limited to: the number of applicants, the number and size of completed installations, the total installed costs of all completed installations, generation data for large systems, and the number, if any, of surrendered deposits.

## Discussion

### *Compliance with Commission Reporting Requirements*

As required by the Commission's October 1, 2012 Order the 2015 Report includes: the number of applicants, the number and size of completed installations, the total installed

costs of all completed installations, generation data for large systems and the number of surrendered deposits. The Company also reports on the dollar value of those surrendered deposits.

In response to comments received regarding the 2014 Report<sup>1</sup> the Company agreed to include additional information in future annual reports. The 2015 Report includes cumulative and prior year program data, the program account summary, and the assumed renewable energy certificates resulting from program solar installations.

### *Surrendered Deposits*

In comments related to the 2014 Report the Office requested that the Company identify the disposition of surrendered deposits. The Company responded "The Company will be using the surrendered deposits as an offset to the administrative costs of the program. At the time that it is determined that all projects from a program year are either not being installed or are complete the Company will transfer all surrendered deposits for the program year as a credit to the deferred account."<sup>2</sup>

Although the 2015 Report identifies surrendered deposits in the amount of \$63,536.70 for Program Years 2013 and 2014 no additional information is provided regarding those funds. It is unclear if the surrendered deposits have been included in the Program Account Summary. The Office recommends that for future reports the Company add a line to the Program Account Summary incorporating surrendered deposits as a credit to the account.

### *Attachment A*

Attachment A provides information related to the solar photovoltaic program including the CSI Rating (kW)AC and the incentive payment received by each participant. An examination of the incentives paid revealed that in a small number of cases there were minor discrepancies between the Office's calculation and the incentive payment listed. The Company explained that the discrepancy results when the approved application identifies the kW's to be installed but the actual installation is larger than approved. Therefore the application acts as a cap for the incentive payment but the incentive payment can be lower if a smaller system is installed.

The Office suggests that a brief footnote on Attachment A providing this explanation would be helpful for future reports.

In addition the Office notes that some of the numbers on Attachment A do not precisely tie to the tables within the 2015 Report. Future reports should provide an explanation as to why variances in the numbers may occur.<sup>3</sup>

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<sup>1</sup> The 2014 Report described 2013 program activity.

<sup>2</sup> October 30, 2014 letter to Public Service Commission, page 2 Docket No. 14-035-71.

<sup>3</sup> The Division of Public Utilities has indicated that they will request a meeting to clarify these variances.

### *Generation Data for Large Systems*

Attachment B to the 2015 Report provides large non-residential production data. Nine participants are listed in this category. The Office noted that Attachment A includes two large non-residential participants that are not included on Attachment B.<sup>4</sup> The Company explained that there are some issues with the production meters for those two participants that they are working to resolve. Until those issues are resolved the participants will not receive additional incentive payments.<sup>5</sup>

The Office had previously recommended that payments to large non-residential participants not be made where production meter data was not available.<sup>6</sup> We support the Company's decision to delay payment until the issue is resolved.

### *Cool Keeper Program Participation*

The Schedule 107 Tariff requires that participants on Residential Service Schedules 1, 2, 3, and 25, and Non-Residential Service Schedule 6, 6A, 6B, 8, 9, and 23 that are eligible to participate in the Company's Cool Keeper Program are required to participate in that program in order to be eligible to receive an incentive under this schedule (107).

The Office inquired if the solar incentive recipients that are eligible to participate in the Cool Keeper program are in fact being required to participate prior to receiving a solar incentive. It seems to be a somewhat self policing action as the application for the solar incentive asks the customer if they are eligible to participate in Cool Keeper. The Company is researching the issue to determine if the requirement is being met or if additional steps need to be taken to ensure participation where appropriate.

Based on the response provided by the Company the Office may have additional comments on July 16, 2015.

### **Recommendations**

The Office recommends that the Commission acknowledge the Company's 2015 Report as meeting the Commission's reporting requirements.

The Office also recommends that in future reports the Company include a line item credit in the Program Account Summary for surrendered deposits and a description explaining any variances between Attachment A and the tables in the report.

CC: Chris Parker, Division of Public Utilities  
Jeffrey K. Larsen, Rocky Mountain Power

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<sup>4</sup> The two participants are identified on Attachment A as Applications 01055 and 10023.

<sup>5</sup> The tariff allows for an initial payment at interconnection for large non-residential participants but further payments are based on production of the solar units.

<sup>6</sup> Incentives in the large non-residential category are to be paid based on performance.