



State of Utah
Department of Commerce
Division of Public Utilities

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CONFIDENTIAL

To: Rocky Mountain Power
From: Utah Division of Public Utilities

Date: October 4, 2016

Re: **Division of Public Utilities Questions for the October 11, 2016 Second Technical Conference related to the proposed Solar and Energy Storage Technology program.**

Docket No. 16-035-36

1. What are the Investment Tax Credit disadvantages for investor-owned utilities? (pg. 7 of 28 Confidential Exhibit D – Solar and Energy Storage Program)
2. What other resources (tax incentives, grants, etc.) are available to RMP to help pay for the Solar facility?
3. Have sites, other than the one proposed in this docket, with potential voltage issues been considered in this review? If so, please provide the site evaluation(s) and the reason each site was eliminated.
4. Blue Sky Program funding of the solar generation facility: Define what is meant by “buy down to competitive rates”? (pg. 7 of 28, Confidential Exhibit D – Solar and Energy Storage Program)
5. It appears from the filing that the storage technology has already been decided (multiple 40-foot containers with Lithium Ion batteries) Confidential Exhibit D – Solar and Energy Storage Program (pg. 9 of 28). What, if any, other storage technologies were considered and evaluated? Please provide the result of that evaluation. Does this storage technology coincide with the 2017 IRP?

6. Please explain how the Company intends to report the results of its Solar/Storage RFI and RFP to regulators and other interested parties.
7. What is the process of acquiring the services of an owner's engineer (OE)? What is the current status of this process? Please explain how the Company intends to report the results of its OE process to regulators and other interested parties.
8. Solar assets are depreciated over 5 years for tax and 20 years for book. (pg. 11 of 28 Confidential Exhibit D – Solar and Energy Storage Program) Please explain the accounting detail of a solar project that will be paid for with Blue Sky funds and will not be included in rate base. Please explain the proposed depreciation and taxes (etc.) of the solar project.
9. Please come prepared to discuss in more detail the OMAG costs for the storage and solar projects and the impacts it will have to customers.
10. Please provide a copy (or an update on the progress) of the “overarching Utah STEP Accounting document” referenced on page 10 of Confidential Exhibit D – Solar and Energy Storage Program.
11. As part of the “enable a greater understanding of these innovative solutions” (page 3 of 28 Confidential Exhibit D- Solar and Energy Storage Program) has it been determined how panels and storage will be disposed of once they have reached end-of-life? How will the expense be accounted for? Was this expense calculated in the financial analysis?
12. On the Financial Analysis chart (page 6 of 28 Confidential Exhibit D- Solar and Energy Storage Program) Property Cost and Owners Engineering Expense for 2017 is listed at \$0.5 million and on page 11 Property cost is listed at \$100,000 in the year 2017. Can you please provide information and calculation of the Owners Engineering Expense?
13. Please explain how the Company intends to report on the progress and results of the Solar and Energy Storage Program to regulators and other interested parties.