



State of Utah  
Department of Commerce  
Division of Public Utilities

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## COMMENTS

**To:** Public Service Commission of Utah

**From:** Division of Public Utilities  
Chris Parker, Director  
Energy Section  
Artie Powell, Manager  
Bob Davis, Utility Analyst  
Myunghee Tuttle, Utility Analyst

**Date:** October 27, 2017

**Re:** Docket No. 17-035-31 – In the Matter of Rocky Mountain Power’s Customer Owned Generation and Net Metering Report and Attachment A for the Period April 1, 2016 through March 31, 2017.

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### RECOMMENDATION (ACKNOWLEDGE)

The Division of Public Utilities (Division) has reviewed Rocky Mountain Power’s (Company) Net Metering Report for the annualized billing period ending March 31, 2017, and finds that it complies with the Public Service Commission’s (Commission) reporting requirements. The Division finds no outstanding issues, other than those reported below, and recommends that the Commission acknowledge the Company’s report.

### ISSUE

On September 29, 2017, Rocky Mountain Power (Company) filed its 2017 Net Metering Report (Report) with the Commission. On October 2, 2017, the Commission issued a Notice of Filing and Comment Period whereby any interested party may submit comments on or before October 30, 2017. The Division respectfully submits the following comments in support of its recommendation.

## DISCUSSION

On May 12, 2017, the Company filed a request with the Commission for a 90-day extension.<sup>1</sup> Citing the significant increase in net metering customer volume, the Company claimed that, due to important information not being available, it could file only a partial report by the July 1<sup>st</sup> reporting deadline. On July 3, 2017, the Company filed its partial Report (Net Metering Data - Attachment A, Excess Credit - Attachment B, and Customer Generation Report - Attachment C) except for the following:

1. Section 5: Total Value of Expired Credits
  - a. Customer Count
  - b. Total Expired kWh
  - c. Total Value
2. Section 6: Excess Net Metering Generation per Month in its entirety
3. Attachment A
  - a. kWh – Credit 2016 by Customer
  - b. Value Excess Generation – 2016 by customer

On September 29, 2017, the Company filed its complete Report with the Commission consisting of the Customer Generation Report, and revised Attachment A. The Division's comments are based on the September 29, 2017 filing and Attachment B filed on July 3, 2017.<sup>2</sup>

In its Order dated November 30, 2010 in Docket Nos. 10-035-58, 08-035-T04, and 08-035-78, the Commission ordered:

The reporting requirements contained in R746-312-16 (Rule) replaces the Company's net metering reporting requirements in Docket Nos. 08-035-T04 and 08-035-78 with the following exceptions and clarifications:

- a) All net metering interconnections must be noted in the annual report filed pursuant to the Rule;
- b) The information required by R746-312-16(2)(a) is the same cumulative information as provided in Attachment A of the Company's 2010 Report with the addition of the zip code, year of installation, and notation if the interconnection is a net metered resource;
- c) The Company's annual report filed pursuant to the Rule

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<sup>1</sup> The Company met with the Division and Office of Consumer Services (OCS) on April 17, 2017 to explain the challenges of collecting the necessary data for the Net Metering Report due to the large uptake of net metering customers. Neither party objected to granting the 90-day extension.

<sup>2</sup> The Company's Report is dated April 1, 2015 to March 31, 2016. The correct period is April 1, 2016 to March 31, 2017. The Company acknowledged its mistake in response to DPU DR 1.2 and corrected the dates.

should provide all of the data required by the Rule through the end of the annualized billing period of the year the report is being submitted unless otherwise approved; and

- d) The Company is required to report information on the amount of net metering installed capacity relative to its net metering cap and any [unforeseen] problems or barriers in the tariff in its annual report filed pursuant to the Rule.

The reporting requirements contained in R746-312-16, Public Utility Maps, Records and Reports, state:

- (1) Each public utility shall maintain current records of interconnection customer generating facilities showing size, location, generator type, and date of interconnection authorization.
- (2) By July 1 of each year, the public utility shall submit to the commission an annual report with the following summary information for the previous calendar year:
  - (a) the total number of generating facilities approved and their associated attributes including resource type, generating capacity, and zip code of generating facility location,
  - (b) the total rated generating capacity of generating facilities by resource type.
  - (c) for net metering interconnections, the total net excess generation kilowatt-hours received from interconnection customers by month.
  - (d) for net metering interconnections, the total amount of excess generation credits in kilowatt hours, and their associated dollar value that have expired at the end of each annualized billing period.

The Commission's September 24, 2015 Order for Docket No. 15-035-64, ordered that future customer-owned generation and net metering reports shall provide:

- (1) An explanation of the calculation of the price attributed to expired net excess generation credits.

- (2) A column indicating the rate schedule under which each customer is taking service, or alternatively, the revenue class of each customer.<sup>3</sup>

There were 12,409 new net metering facilities added during the reporting period from April 1, 2016 to March 31, 2017. These new additions compare to 4,142 new facilities reported during the same period of the prior year, representing a 200 percent increase. Of these new installations, 12,408 are solar projects.<sup>4</sup>

As of March 31, 2017, the total enrolled capacity of 160,530 kW is a 140 percent increase from the previous year's reported enrolled capacity of 66,798 kW. The current Customer Generation Report sets the net metering capacity for solar as of March 31, 2017 at 66,243 kW. The Company reported 31,411 kW in 2016 and 15,854 kW in the 2015 report. Solar represents the majority of the net metering generation type and has nearly doubled each recent reporting period.<sup>5</sup>

The Non-Net Metering, (e.g., generators greater than 2 MW or connecting to the grid by other switchgear or inverter configurations), customer count did not change significantly from last year. As of March 31, 2017, 4 additional customers were added to the 45 customers reported March 31, 2016 for a current total of 49 Non-Net Metering customers. The total Non-Net Metering MW reported in 2017 is just over 131 MW, an increase of 12.9 percent from 116 MW reported in 2016.<sup>6</sup>

The "Excess Energy Value" from 2012<sup>7</sup> to present has been \$.0442, \$.0402, \$.0346, \$.0303, and \$.0221, respectively, which is used to calculate the value of expired credits. The 2017 report lists 4,553 customers with 2,556,277 kWh of expired credits equating to \$56,494. This compares to last year's report of 2,377 customers, 1,315,199 kWh, and \$39,851. System sizing continues to be a concern to the Division.<sup>8</sup>

The current enrolled capacity of 160,530 kW represents 17.39 percent of the 923,000 kW current program cap. The Company reports no unforeseen problems or barriers at this time.<sup>9</sup>

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<sup>3</sup> See Docket No. 15-035-64, Commission's Order, September 24, 2015, at p. 5.

<sup>4</sup> 2017 Customer Generation Report, Section 1, Number of Customer Generation Systems, pg. 1.

<sup>5</sup> Id., Section 3, Total kW Combined Capacity, pg. 2.

<sup>6</sup> Id.

<sup>7</sup> During the April 17, 2017 meeting, the parties agreed to track the expired credits for a five year rolling period to mitigate data collection complexity.

<sup>8</sup> 2017 Customer Generation Report, Section 4, Total Value of Expired Credits, pg. 2. The Division continues to analyze excess and expired credits to monitor system sizing.

<sup>9</sup> 2017 Customer Generation Report, Section 8, Measurement to Cap, pg. 3. Note that the 160,530 kW includes the 30 kW Other Resource removed in October of 2016. Per Commission Order, Docket 14-035-114, Order Approving Settlement Stipulation, at ¶ 11, the Commission will cap the net metering program at the current kW capacity at 12 a.m., November 15, 2017. See <https://psc.utah.gov/2016/06/20/docket-no-14-035-114-2/>.

Rate Schedule, 08NMT03135, is added to the other rate schedules for this reporting period. Net Metering customers under Rate Schedule 08NMT03135 have interconnection dates back to September of 2005, with system sizes under 25 kW. In response to the Division's data request 2.1, the Company confirms this rate schedule is for Utah Low Income Residential Net Metering customers.

The Division asked the Company to provide details relating to certain supporting data for Sections 3 and 6 of the report. The Company addressed the Division's concerns and made corrections. The corrections are insignificant and have minimal impact on the report.<sup>10</sup>

On September 29, 2017, the Commission issued its Order for the Net Metering Compliance proceeding, Docket No. 14-035-114. The Commission approved the parties' stipulation effectively ending the Net Metering program to new entrants as of November 15, 2017.<sup>11</sup> Net Metering customers, as of 12 a.m., November 15, 2017, will be grandfathered for a period of time and remain as Schedule 135 net metering customers. Customers who file an application after 12 a.m., November 15, 2017, will be considered transitional customers under Schedule No. 136, Transition Program for Customer Generators. This creates the need to amend the Net Metering Report to include both traditional net metering customers under Schedule No. 135, Net Metering Service, and future transitional distributed generation customers under Schedule No. 136. The Division recommends that the Commission direct the Company to meet with interested parties, prior to next year's filing, to discuss changes to the report that will fulfill the Commission's reporting requirements.

## CONCLUSION

The Division has reviewed the Company's updated 2017 Net Metering Report and concludes that the Company's filing complies with the Commission's reporting requirements. Therefore, the Division recommends that the Commission acknowledge the Company's Net Metering Report. The Division recommends that the Company refile the Interconnection Report with the correct reporting period and revised Section 3.

CC Jeffrey K. Larsen, RMP  
Jana Saba, RMP  
Michele Beck, OCS

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<sup>10</sup> Company's response to DPU DR 1.3 and 1.5. Attachment A, Residential customer 15198, is corrected from 825 kW to .825 kW. As a result, Section 3, Total Facilities, is 159,705.93 versus 160,530.10. Rate class 08NMT08135 and 08GNSV008M were not included in the analysis for Section 6, Excess Net Metering Generation per Month – kWh. The rate schedules were likely not included due to no excess energy for the period as in past reports.

<sup>11</sup> See "Order Approving Settlement Stipulation," <https://psc.utah.gov/2016/06/20/docket-no-14-035-114-2/>.