

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky
Mountain Power to Establish Export Credits for
Customer Generated Electricity

DOCKET No. 17-035-61

DIRECT TESTIMONY OF RYAN EVANS

ON BEHALF OF

UTAH SOLAR ENERGY ASSOCIATION

DATED this 3rd day of March, 2020

/s/ Ryan Evans

Ryan Evans

President

Utah Solar Energy Association

2 **Q. Please state your name, business address, and present position with Utah Solar Energy**
3 **Association (“USEA”).**

4 A. My name is Ryan Evans. My business address is 11509 Black Forest Drive, Sandy, Utah
5 84094. I am the President of the Utah Solar Energy Association.

6 **Q. Please describe your education and business experience.**

7 A. I earned a Bachelor of Science degree from the University of Utah in 1999. I have served
8 as the President of USEA since July of 2016. Prior to that I spent thirteen years in various
9 roles with the Salt Lake Chamber, Utah’s largest business association. For ten of those
10 years I was involved in public policy and economic development initiatives in Salt Lake
11 City. Additionally, I was the staff lead on air quality and small business issues. My role at
12 the Salt Lake Chamber gave me great insight into the business community and intersection
13 between sound public policy, economic development and the community prosperity.

14 Additionally, I am currently or recently served on the following boards of directors-
15 national advisory board for Chambers for Innovation and Clean Energy, the Utah Clean Air
16 Partnership (UCAIR), and US Chamber Institute for Organization Management Advisory
17 Board.

18 **Q. Please describe USEA.**

19 A. USEA currently represents approximately 50 of the nearly 100 solar installation companies
20 and businesses that support solar in Utah. The core mission is to champion the growth of
21 Utah’s solar industry through advocacy, education, and business services. USEA supports
22 all aspects of the solar industry including residential, commercial, industrial customers.

23 Additionally, USEA supports utility scale solar, as well as the trades and professions that
24 support these companies.

25 **Q. What are your duties as the President of USEA?**

26 A. As President, I oversee all aspects of operations for USEA including public policy matters,
27 business development, personal and professional development programming, public
28 affairs and communications. I also monitor and work to promote solar issues on a national
29 level as a member of the state affiliate network in the Solar Energy Industries Association,
30 a national solar association that champions the use of clean, affordable solar by expanding
31 markets, removing market barriers, strengthening the industry and educating the public
32 on the benefits of solar energy.

33 **Q. Please provide a summary of your Direct Testimony?**

34 A. I will provide a current status of the solar industry in the State of Utah, including business
35 closures, job losses, and distributed generation (DG) installations over the past several
36 years. It is my intent to provide further commentary and response to other parties'
37 testimony in future filings.

38 **Q. How have solar installations fared under the Transition Program?**

39 A. The growth of rooftop solar has slowed tremendously from the track that it was on prior
40 to the Transition Program (established in Docket No 14-035-114) being implemented. In
41 fact, since the Transition Program, began, Utah has seen a steady but rapid decline in new
42 rooftop solar installations. According to Rocky Mountain Power's (the company) annual
43 customer generation and net metering report filings, found on psc.utah.gov, the number

44 of new solar facilities taking service each year as of March 31 under Schedule 135 (Net
45 Metering) or Schedule 136 (Transition Program) are as follows:

- 46 • 2015: 1,633
- 47 • 2016: 4,140
- 48 • 2017: 12,408
- 49 • 2018: 9,582 (Schedule 135: 9370 & Schedule 136: 212)
- 50 • 2019: 3,540 (Schedule 135: 16 & Schedule 136: 3,524)

51 This decline in solar installations has thus resulted in hundreds of jobs lost, sales and
52 property tax declines for the State, and significantly reduced capital investment.

53

54 **Q. What effect has this decline in rooftop solar installations had on the rooftop solar**
55 **industry?**

56 A. As in any industry, with declining sales comes contraction of a market. Since the Transition
57 Program was implemented the solar industry in Utah has seen some notable businesses
58 close their doors or simply stop doing business in Utah to focus on other states. Some of
59 these companies and the approximate number of Utahns that lost employment include:

- 60 • Evelar Solar, ~80 employees
- 61 • Altaray Solar, ~110 employees
- 62 • Legend Solar, ~200 employees: Legend Ventures was a signing party to the
63 Transition Program Stipulation in Docket No 14-035-114
- 64 • Auric Solar, ~ 70 employees: Auric Solar was a signing party to the Transition
65 Program Stipulation in Docket No 14-035-114. Auric recently closed their

66 residential service but continue to sell commercial solar installations with a
67 smaller staff.

- 68 • Alliance Solar, 40 employees: Alliance no longer actively sells in Utah
- 69 • Tesla Solar, ~100 Utah based employees: Formerly Solar City, Tesla, a top five
70 solar installer in the U.S., made the decision to close their Utah regional office
71 after the Stipulation was approved in Docket No 14-035-114. They still have
72 some sales here but no longer have the regional office.
- 73 • SunRun Solar, one of the largest residential solar companies in the nation,
74 ceased operations in Utah after the stipulation was approved in Docket No 14-
75 035-114.
- 76 • Blue Raven Solar: Similar to Vivint Solar, Utah based Blue Raven Solar
77 essentially stopped selling rooftop solar installations in Utah after the
78 stipulation was approved. As an organization, they chose to focus on other
79 markets.

80 While there are several other smaller companies that have also closed their doors in Utah,
81 the above listed companies represent some of our more significant employers.

82 **Q. What, to your understanding, is the reason why installations have declined?**

83 A. In hundreds of discussions with solar professionals, customers, and prospective
84 customers, the main factors that led to this decline are:

- 85 • Decreased economics- Utah already enjoys relatively low electricity prices and
86 any decrease would have been impactful. The combination, however, of

87 decreased export value plus implementation of a 15-minute netting period
88 resulted in greatly reduced cost savings projections.

89 • Complexity of modeling- Under a monthly netting period and one to one net
90 metering policy, it was relatively easy to model potential cost savings and return
91 on investment for prospective customers. Without the ability to see 15-minute
92 usage patterns of customers and usage of electricity specifically during daylight
93 hours, it became very hard to accurately make conservative and customer-
94 responsible estimates.

95 • Uncertainty- Many customers expressed concern that at any given time the
96 company could propose and implement rate changes and therefore felt very
97 uncertain about a rooftop solar investment.

98

99 **Q. Does the Utah Solar Energy Association have a proposal at this time for a Solar Export**

100 **Credit Rate and Structure?**

101 A. No, I do not have a proposal for an export rate or rate structure at this time. It is my intent
102 to review testimony from other parties and respond in future filings. It will be important,
103 however, to recognize as we move forward, the impact that the settlement and Transition
104 program has had on an industry that grew by means of a government promoted program of
105 Net Metering. Investments were made, jobs were created, and taxes were paid based on the
106 Net Metering program, any future rate or rate structure should, in my opinion, take the
107 impact on the Utah economy into consideration and, at the least, respect the investments
108 made my Utah entrepreneurs in the solar industry. Gradualism is critical, especially in
109 helping small businesses adapt to a change in doing business.

110

111 **Q. Does this conclude your testimony?**

112 A. Yes, it does.

113

114 **Certification:**

115 Pursuant to Utah Code Ann. § 78B-5-705, I declare under criminal penalty of the State of

116 Utah that the foregoing is true and correct to the best of my knowledge.

117 Executed on March 3, 2020

118 By: /s/ Ryan Evans _____

119 Ryan Evans

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