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**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	<b>Docket No. 17-035-61 Phase 2</b>
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**REVISED AFFIRMATIVE TESTIMONY OF ALBERT J. LEE, PH.D.**

**ON BEHALF OF**

**VOTE SOLAR**

May 8, 2020

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1 **I. INTRODUCTION**

2 **Q. Please state your name, business address, and title.**

3 A. My name is Albert J. Lee. My business address is 601 New Jersey Avenue NW, Suite 400,  
4 Washington, DC 20001. I am the Founding Partner and Economist at Summit Consulting,  
5 LLC.

6 **Q. On whose behalf are you testifying?**

7 A. I am submitting this revised testimony on behalf of Vote Solar.

8 **Q. Please summarize your background for the record.**

9 A. I am an economist with a Ph.D. (1999) and M.A. (1996) in economics from the University  
10 of California at Los Angeles (UCLA). My research, teaching, and professional practices  
11 have focused on statistical sampling and econometric modeling. I have designed and  
12 selected statistical samples and performed extrapolations for various federal agencies,  
13 including the U.S. Department of Defense, the U.S. Department of Housing and Urban  
14 Development, the U.S. Department of Labor, the U.S. Small Business Administration, and  
15 the U.S. Department of Transportation.

16 I have published articles in peer-reviewed and industry journals on mathematics and  
17 economics. I have lectured on statistics, advanced quantitative methods, and graduate-level  
18 econometrics at UCLA, the George Washington University, and Columbia University,  
19 respectively. I am a member of the American Economic Association (“AEA”), the  
20 American Statistical Association (“ASA”), and the Econometric Society. Since 2012, I  
21 have been an ASA Accredited Professional Statistician. I have served as an econometric

22 expert in several matters. In 2019, I was admitted as an expert in statistics in a case pending  
23 before the New York State Supreme Court. My curriculum vitae, included as Exhibit 5-  
24 AJL, lists the cases in which I testified or provided written affidavits in the past four years  
25 and the publications I authored in the past ten years.

26 **Q. Have you previously testified before the Utah Public Service Commission (“PSC” or**  
27 **“Commission”)?**

28 A. I testified before the PSC in Phase 1 of this matter. As described more fully below, the  
29 purpose of my previous testimony was to address the testimony submitted by Rocky  
30 Mountain Power (“RMP”). I reviewed the statistical methods used to determine the sample  
31 design of RMP’s proposed Load Research Study (“RMP LRS”), given the desired  
32 confidence level and margin of error.

## 33 **II. BACKGROUND**

34 **Q. Please describe your understanding of this docket.**

35 A. The purpose of this docket is to establish just and reasonable compensation for electricity  
36 generated by customer generation (“CG”) customers. Under a settlement for a prior docket  
37 (Docket No. 14-035-114), rate schedules for a “Legacy Period” (Schedule 135) and a  
38 “Transition Period” (Schedule 136) were established in 2017.<sup>1,2</sup> As part of this settlement,

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<sup>1</sup> RMP refers to the “Legacy Period” customers as “Grandfathering Period” customers.

<sup>2</sup> Public Service Commission of Utah, *Order Approving Settlement Stipulation*, Docket No. 14-035-114, Sept. 29, 2017, <https://pscdocs.utah.gov/electric/14docs/14035114/29703614035114oass9-29-2017.pdf>.

39 the parties agreed to open this current proceeding to determine the just and appropriate  
40 compensation mechanism to be used after the “Legacy Period” and “Transition Period”  
41 ended.

42 **Q: Will you please describe what you mean by Schedule 135 and Schedule 136?**

43 A. Customers who submitted an application to interconnect a distributed generation (“DG”)  
44 system by November 15, 2017 are considered the “Legacy Period” customers, also known  
45 as the “Schedule 135 Customers” or “NEM Customers” because these customers are on  
46 Net Metering Schedule 135 through December 31, 2035. The “Transition Period”  
47 customers, customers who submitted an application to interconnect a DG system after  
48 November 15, 2017, are on Schedule 136 and are therefore referred to as the “Schedule  
49 136 customers” or “Transition Customers.”<sup>3</sup> As of December 31, 2019, there were 38,876  
50 customers with CG, of which, 79.8% follow Schedule 135, and 20.2% follow Schedule  
51 136.<sup>4</sup> There are 31,013 Schedule 135 customers, 7,858 Schedule 136 customers, and 5  
52 customers whose schedule could not be determined.<sup>5</sup> All customers installed their  
53 generation systems between 2002 and 2019.

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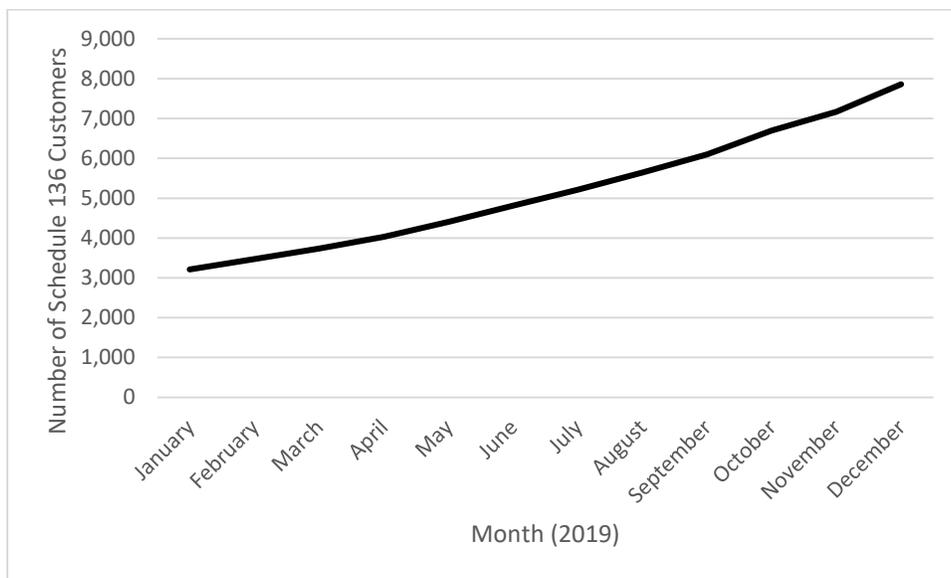
<sup>3</sup> Customers may be grouped in their schedules based on when they installed their system or when they submitted a complete interconnection application. In other words, if a customer submitted their complete application prior to November 15, 2017 but did not install their system by this date, they would be considered a Schedule 135 customer. Dates are based on the Settlement Stipulation. See Rocky Mountain Power, *Rocky Mountain Power’s Settlement Stipulation*, Docket No. 14-035-114, p. 3, Aug. 28, 2017, <https://pscdocs.utah.gov/electric/14docs/14035114/296270RMPSettleStip8-28-2017.pdf>.

<sup>4</sup> Dr. Spencer Yang’s testimony distinguishes between customer generation (“CG”) and distributed generation (“DG”). CG includes technologies other than DG solar, such as fuel cells, but DG accounts for over 99% of CG. I use CG throughout this testimony. See generally Vote Solar, *Revised Affirmative Testimony of Spencer Yang*.

<sup>5</sup> One of these customers, a commercial customer, was on rate schedule “08GNSV008M” and four customers, irrigation customers, were on rate schedule “08NMT010NS.”

54 The number of Schedule 136 customers increases as customers submit interconnection  
55 applications and install their CG systems. Figure 1 below illustrates the number of  
56 Schedule 136 customers for each month of 2019. In January of 2019, there were 3,211  
57 Schedule 136 customers. By December of 2019, there were 7,858 Schedule 136  
58 customers.

59 **Figure 1: Number of Schedule 136 Customers, by Month (2019)<sup>6</sup>**



60

61 **Q. Please describe why you were initially retained in this proceeding.**

62 A. In 2018, RMP, the public utilities company that serves Idaho, Utah, and Wyoming,  
63 designed a Load Research Study (“RMP LRS”) for Schedules 135 and 136 residential and  
64 commercial customers with DG in the state of Utah. In the study, RMP selected a sample

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<sup>6</sup> Produced using the Schedule 136 monthly 15-minute interval data received from RMP. See Exhibit 2-AJL-REVISED.

65 of Schedule 135 customers, along with all Schedule 136 customers, and proposed to collect  
66 and report data on their import, export, and production.

67 In response to the RMP LRS, I was retained by counsel for Vote Solar in 2018 to provide  
68 an independent expert review of RMP's sample design and proposed implementation for  
69 the RMP LRS. In that phase, I submitted written testimony on April 11, 2018, and I testified  
70 before the Commission to rebut the calculations and opinions of Mr. Charles Peterson and  
71 Mr. Kenneth Elder, Jr. on April 17, 2018.<sup>7</sup>

72 **Q. What were your main opinions in that Phase 1 testimony?**

73 A. I found that the sample design had several flaws. *First*, the production metering sample  
74 was not drawn from the population of interest (all customer generators), but instead from  
75 a subset (only Schedule 135 customers). Therefore, estimates from the sample could not  
76 be used to provide inferences about the full population. *Second*, more than half of the  
77 sample was originally drawn using a different sampling design. As a result, standard  
78 extrapolation formulas would fail to account for this difference, and no alternatives were  
79 provided. *Third*, a number of factors indicated the sample size was too small to achieve the  
80 stated precision of +/-10% at 95% confidence. *Finally*, the use of systematic sampling was  
81 an unnecessary complication that, at best, added untested assumptions without any proven

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<sup>7</sup> See Vote Solar, *Rebuttal Testimony of Albert J. Lee*, Docket No. 17-035-61, Apr. 11, 2018, <https://pscdocs.utah.gov/electric/17docs/1703561/301245RebutTestLeeVoteSolar4-11-2018.pdf>.

82 benefit. The sample could have been selected using a stratified random sample without  
83 systematic sampling because a complete list of the customers was available.

84 **Q. Did the Commission issue an order regarding the RMP LRS?**

85 A. Yes. On May 21, 2018, the Commission issued an Order in Phase 1 of this proceeding  
86 addressing the design of the LRS and ordering that the parties proceed to Phase 2.<sup>8</sup>

87 **Q. Please describe your understanding of Phase 2 of this matter.**

88 A. The Commission has indicated that the purpose of Phase 2 of this matter is to determine  
89 just and reasonable compensation for CG exports.<sup>9</sup> In support of its proposal in Phase 2 of  
90 this matter, Vote Solar requested that I conduct an independent LRS. The data compilation  
91 and design of that independent Vote Solar LRS is described below in Sections V and VII,  
92 respectively. In addition to this testimony about Vote Solar's LRS, I am scheduled to  
93 perform an additional review of the RMP LRS in rebuttal testimony.<sup>10</sup>

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<sup>8</sup> Public Service Commission of Utah, *Phase I Order*, Docket No. 17-035-61, May 21, 2018, <https://pscdocs.utah.gov/electric/17docs/1703561/3022941703561pIo5-21-2018.pdf>.

<sup>9</sup> *Id.* at p.2.

<sup>10</sup> RMP filed its direct testimony on February 3, 2020 by Joelle R. Steward, and I intend to respond to that in rebuttal according to the schedule established by the Commission. See Rocky Mountain Power, *Rocky Mountain Power's Direct Testimonies*, Docket No. 17-035-61, Feb. 3, 2020, <https://pscdocs.utah.gov/electric/17docs/1703561/311964RMPDirectTestim2-3-2020.pdf>.

94 **III. PURPOSE OF TESTIMONY**

95 **Q. What is your assignment in this phase of the case?**

96 A. I have been asked by Vote Solar to assist in collecting data from residential and commercial  
97 CG customers in RMP's Utah service territory pursuant to the independent study discussed  
98 above. I have also been asked to conduct statistical analyses using the collected data.  
99 Specifically, I was asked to:

- 100 a) Calculate the state-wide estimates for export and production for CG in the state of  
101 Utah;
- 102 b) Identify characteristics that appropriately capture the costs and benefits of CG and  
103 collect relevant customer data over a representative period;
- 104 c) Determine an appropriate correlation between generation, nameplate capacity, and  
105 location based on data availability; and
- 106 d) Examine and analyze relevant conclusions made by RMP regarding CG in its  
107 service territory.

108 I understand that my analysis is being used by other experts in this matter to determine just  
109 and reasonable compensation for CG in RMP's Utah service territory. Specifically, I  
110 provided Dr. Michael Milligan, Mr. Curt Volkmann, Dr. Spencer Yang, and Dr. Carolyn  
111 Berry my assessment of the total CG production and total CG exports on an hourly basis  
112 for all of 2019. I also calculated and provided the annual production factor (total

113 production kWh/installed kW) and export factor (exported kWh/installed kW). The data I  
114 provided to the other Vote Solar witnesses is provided in Exhibit 1-AJL-REVISED.<sup>11</sup>

115 **IV. SUMMARY OF OPINIONS**

116 **Q. Please provide a brief summary of your opinions.**

117 A. I provide the following opinions:

118 1) Current weather patterns play vital roles in determining the level of  
119 production and export for commercial and residential CG. For example,  
120 higher temperature days produce higher rates of solar production. In  
121 contrast, increasing cloud coverage reduces the amount of solar energy  
122 produced;

123 2) Peak production and export hours are between 12PM and 3PM daily and  
124 increase in Spring and Summer months;

125 3) Production and exports are lowest early in the morning and late in the  
126 evening; and

127 4) Days on the weekend typically have lower export ratios in comparison to  
128 identical times during the work week.

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<sup>11</sup> Exhibit 1-AJL-REVISED does not contain any personally identifiable information.

129 My lack of comments on any components of RMP’s affirmative testimony should not be  
130 interpreted as acquiescence or agreement with RMP. I reserve the right to express  
131 additional opinions, to amend or supplement the opinions in this testimony, or to provide  
132 additional rationale for these opinions as additional documents are produced and new facts  
133 are introduced during discovery and trial. I also reserve the right to express additional  
134 opinions in response to any opinions or testimony offered by other parties to this  
135 proceeding.

136 **V. DATA COMPILATION AND SHARING**

137 **Q. Please describe the data that were developed for Vote Solar’s LRS.**

138 A. As described in the revised testimony of Mr. Sachu Constantine, a mailer was sent to every  
139 customer with CG in RMP’s Utah service territory. In response to that mailer, customers  
140 could opt-in to the Vote Solar LRS in two ways by providing consent via a website hosted  
141 by RMP.<sup>12</sup> In total 3,364 customers from the population of 38,876 opted in to the Vote  
142 Solar LRS.

143 **Q. What information did you obtain about customers that opted in to the Vote Solar**  
144 **LRS?**

145 A. *First*, RMP provided weekly updates regarding customer opt-ins in the form of  
146 supplemental responses to Vote Solar’s 4<sup>th</sup> Set Data Request 4.1, which identifies Vote  
147 Solar LRS opt-in customers’ addresses. *Second*, RMP provided Vote Solar with individual

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<sup>12</sup> Vote Solar, *Revised Affirmative Testimony of Sachu Constantine*, lines 242–91.

148 .pdf files for each opt-in customer containing the information they provided in the web  
149 form for purposes of obtaining each customer’s inverter data. This information included  
150 the customer name, address, email and phone number, and the customer’s solar installer.  
151 This process is described more fully in the revised testimony of Vote Solar witness, Mr.  
152 Constantine.<sup>13</sup>

153 **Q. Please describe the process for receiving inverter data from the solar companies for**  
154 **Vote Solar’s LRS.**

155 A. The process for receiving data is described in more detail in the revised testimony of Mr.  
156 Constantine.<sup>14</sup> Depending on the company, we collected data in one of two ways:

- 157 1. The solar company provided the data directly; or
- 158 2. The solar company provided System IDs and Application Programming Interface  
159 (“API”) keys, and the data were extracted from the API.

160 In both instances, data were obtained for the 2019 calendar year for each system.  
161 Depending on the inverter platform, solar production data was provided in either five- or  
162 fifteen-minute intervals.<sup>15</sup> In total, by the time of filing on March 3, 2020, we obtained  
163 data for 1,240 of the 3,364 solar customers across Utah who opted in to allow access to  
164 their inverter data. This data included customers from 101 different zip codes. Of these

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<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> Data obtained from Enphase inverters was in 5-minute intervals. Data obtained from SolarEdge inverters was in 15-minute intervals. Enphase and SolarEdge did not directly provide this info. Instead, the solar installers granted access to this information on their platforms. RMP identified the inverter manufacturer for 13,729 customers, and 83.4% of these customers had either SolarEdge or Enphase as their inverter manufacturer.

165 customers, 23 customers' systems were installed after January 1, 2019. I excluded these  
166 customers from my analysis, resulting in 1,217 customers with full data across 100 zip  
167 codes for calendar year 2019.<sup>16</sup>

168 **Q. Please describe any other data that were used as part of your work.**

169 A. In response to data requests from Vote Solar, RMP provided multiple iterations of a  
170 spreadsheet of the population of DG customers through January 16, 2020.<sup>17</sup> These  
171 spreadsheets contained the customer number, zip code, name plate capacity, verified  
172 system capacity, installation date, residential or commercial indicator, rate schedule,  
173 azimuth, tilt, inverter model, inverter manufacturer, and estimated production. If a  
174 customer consented to RMP sharing its personally identifiable data, the address was also  
175 provided. Not all information was populated for every customer.

176 Additionally, RMP provided export data from 2015 to 2019 for a subset of customers at  
177 the following interval:

- 178 • Monthly export data for 30,621 unique customers.

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<sup>16</sup> For modeling related to production, I did not include the customers with a partial year of data. In subsequent sections of the report, I report the number of opt-in customers for which I acquired data for the full year of 2019, which is 1,217.

<sup>17</sup> Labeled as various revised versions of "Attach 4.1" and as "Attach 9.8" in RMP's Responses to Vote Solar 4th Set Data Request, and RMP's Response to Vote Solar 9th Set Data Request. The consolidated spreadsheet is attached as Exhibit 2-AJL-REVISED.

179 RMP also provided the data they collected for the RMP LRS. For calendar year 2019, they  
180 provided:

- 181 • 15-minute interval export and production data for a sample of 141 Schedule 135  
182 customers;<sup>18</sup> and
- 183 • 15-minute interval export data for all Schedule 136 customers.<sup>19</sup>

184 Lastly, RMP also provided a spreadsheet (“Attach 8.6”) in RMP’s Responses to Vote  
185 Solar’s 8<sup>th</sup> Data Set Request containing the list of “customer numbers” and their  
186 corresponding “IDs,” which is the identifying variable in a number of the data sources I  
187 used.<sup>20</sup>

188 In addition to the data I acquired from the solar companies and RMP, I also acquired hourly  
189 weather data for 2019 for each zip code in Utah. I matched the corresponding weather data  
190 to hourly estimates of production and exports using the customer’s zip code.

191 The data are summarized in Table 1. The first column provides the source, the second  
192 column provides a description of the data, and the third column provides the variables used  
193 to identify a customer within the data.

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<sup>18</sup> This includes one customer who had two meters.

<sup>19</sup> As new Schedule 136 customers were added to the population, RMP collected and provided their data, yielding an increasing customer count for each subsequent month of data. *See* Figure 1.

<sup>20</sup> The corresponding ID for each customer number (if available) has been added as a column in Exhibit 2-AJL-REVISED.

**Table 1. Description of Data Sources**

<b>Source</b>	<b>Description</b>	<b>Customer Identification Variable(s)</b>
<b>Solar inverter company (various providers)</b>	<ul style="list-style-type: none"> <li>“API Data” Panel data on production for 1,217 customers who opted in to sharing their solar inverter data (Option 2).<sup>21</sup></li> </ul>	<ul style="list-style-type: none"> <li>Address</li> </ul>
<b>RMP</b>	<b>Opt-in Forms</b> <ul style="list-style-type: none"> <li>Opt-in data in .pdf form</li> </ul>	<ul style="list-style-type: none"> <li>Address</li> </ul>
	<b>LRS Data</b> <ul style="list-style-type: none"> <li>Exports and production in 15-minute intervals for the 141 sampled Schedule 135 customers.</li> <li>Exports in 15-minute intervals for the census of Schedule 136 customers.</li> </ul>	<ul style="list-style-type: none"> <li>ID</li> <li>ID</li> </ul>
	<b>Data Requests</b> <ul style="list-style-type: none"> <li>“Attach 8.4 1<sup>st</sup> Supplemental” Data that includes exports in monthly intervals for 30,621 unique customers<sup>22</sup></li> </ul>	<ul style="list-style-type: none"> <li>Customer Number</li> </ul>
	<b>Customer Population Data</b> <ul style="list-style-type: none"> <li>“Attach 4.1” and “Attach 9.8” Data with population of solar customers including address, name plate capacity, installation date, residential or commercial, rate schedule, azimuth, tile, model, and manufacturer.</li> </ul>	<ul style="list-style-type: none"> <li>Customer Number</li> <li>Address</li> </ul>
	<b>Customer Identification File</b> <ul style="list-style-type: none"> <li>“Attach 8.6” data mapping each customer’s ID to their Customer Number. Customers as of January 1, 2019 are included.</li> </ul>	<ul style="list-style-type: none"> <li>Customer Number &amp; ID</li> </ul>
<b>Weatherbit.io</b> <sup>23</sup>	Hourly weather data for each zip code, including cloud coverage, temperature, solar azimuth, solar elevation, solar radiation, and direct normal solar irradiance.	<ul style="list-style-type: none"> <li>Zip code</li> </ul>

<sup>21</sup> We obtained API data for additional customers, but their addresses could not be linked to the Customer Population Data and were therefore excluded from this count.

<sup>22</sup> Customers who had installation dates after December 31, 2019 could not be linked to the Customer Population Data and therefore were excluded from this count.

<sup>23</sup> See *About Weatherbit.io*, Weatherbit.io, <https://www.weatherbit.io/about>.

196 **Q. Please describe how you linked the various datasets you used in your analysis.**

197 A. Table 1 provides the variables used to identify a customer in each dataset and to link the  
198 customer information across the different data sources. For example, I used the customer's  
199 address to link the opt-in spreadsheets from RMP and solar inverter production data from  
200 the solar inverter companies to the Customer Population Data. Customers can be identified  
201 in the 15-minute interval export data using the ID, whereas they are identified using their  
202 Customer Number in the customer Population Data. To link these datasets, I used the  
203 Customer Identification File, provided by RMP which provides the corresponding ID for  
204 each Customer Number, if applicable. Customers in the LRS data could be identified using  
205 their ID, so I also used the Customer Identification File to link this dataset to the customer  
206 population data.

## 207 **VI. SURVEY RESPONSE RESULTS**

208 **Q. Can you describe the survey results?**

209 A. Yes. Of the approximately 34,000 letters mailed, there were a total of 3,364 customers who  
210 opted in by providing consent to contact their solar installer. Of those, we received  
211 production data for 2019 for 1,217 customers. Generally, daytime winter production levels  
212 were at about 15-25% of capacity on average, while in summer months of June through  
213 August, those figures were at about 35-40% of capacity on average. At peak times (1 pm)  
214 on clear summer days, average production across the state was approximately 70% of  
215 capacity. In general, production across the state varied little, after controlling for the  
216 weather and time of year using a regression model. Because production is largely a

217 function of weather and time, it is possible to estimate the production for the entire  
218 population of installed capacity, as long as the location of those installations is known.

## 219 **VII. ANALYSIS AND PROJECTION**

### 220 **Q. What is the population of interest?**

221 A. The population of interest for this study are the residential and commercial customers that  
222 had installed distributed generation as of December 31, 2019. Based on information  
223 provided in discovery there are a total of 38,876 customers as the population of interest.<sup>24</sup>

### 224 **A. PRODUCTION**

### 225 **Q. How did you estimate total production for 2019?**

226 A. I developed a regression model to estimate solar production for residential and commercial  
227 CG based on the 2019 data.<sup>25</sup>

### 228 **Q. What data did you use for the production estimation model?**

229 A. I used the solar inverter data from the Vote Solar LRS for customers whose system was  
230 installed prior to January 1, 2019. Specifically, I relied on the energy production data from  
231 1,217 customers. In total, that granted me access to approximately 10.9 million

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<sup>24</sup> See Exhibit 2-AJL-REVISED.

<sup>25</sup> I statistically correlated key panel attributes among the opt-in customers to estimate a given panel's performance and used those correlations to build a robust statistical model. The only necessary component to apply this statistical model to the larger population is that each data element contained in the model is also available for the population I am attempting to estimate.

232 observations of day-hour production figures. For inclusion in the model, a system had to  
233 have an installation date prior to January 1, 2019.<sup>26, 27</sup>

234 **Q. What was the dependent variable for the model?**

235 A. The dependent variable was energy production as a percentage of nameplate capacity  
236 (production ratio).

237 **Q. How did you estimate this ratio?**

238 A. I used an ordinary least squares regression to estimate the statistical relationship between  
239 production ratio and the following factors:

- 240 1. Binary indicator for hour of the day (0-23);
- 241 2. Binary indicator for month of the year (1-12);
- 242 3. Interactions of month and hour indicators;
- 243 4. Various weather statistics based on zip code, day, and hour;
- 244 5. An indicator distinguishing between Schedule 135 and Schedule 136 customers;
- 245 and
- 246 6. An indicator distinguishing between commercial and residential solar panel  
247 owners.

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<sup>26</sup> See Exhibit 3-AJL.

<sup>27</sup> There were 23 customers who opted in to the Vote Solar LRS and for whom I acquired API data, but their system was installed after January 1, 2019. I did not use production metrics in the model for these customers.

248 **Q. How did you use the findings of the model to produce total production?**

249 A. I performed the following two steps:

- 250 1. Applied the regression coefficients to predict production for the 37,659
- 251 customers who **did not** provide production data, and
- 252 2. Added the production figure from Step 1 to the total production of the customers
- 253 who **did** provide production data.

254 **B. EXPORTS**

255 **Q. How did you estimate total exports for 2019?**

256 A. Since I had export data in 15-minute intervals and monthly totals for varying customer

257 groups, I performed two calculations to estimate total exports. The first calculation

258 disaggregates the monthly customer totals into day-hour estimates for the 30,621 customers

259 for whom I had monthly export data. The second calculation uses a model to estimate the

260 day-hour exports for the 4,939 customers for whom I **did not** receive any export data.

261 **Q. What data did you use for the export estimation?**

262 A. For the export estimation, I relied on the data produced by RMP through Vote Solar data

263 requests<sup>28</sup> and the RMP LRS data. I received all available metering data from RMP, as

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<sup>28</sup> This data was contained in a series of spreadsheets in the folder “Attach 8.4 CONF,” attached to RMP’s Response to Vote Solar 8th Set Data Request (Nov. 26, 2019). I only utilized one of these files, “UTSCH135\_2019\_Monthly\_CONF.xlsx.”

264 requested, but RMP only retained and could provide these data in monthly intervals for  
265 30,621 customers outside of the RMP LRS. I used 15-minute interval export data for the  
266 3,318 customers that were part of the RMP LRS for all of 2019, which I aggregated to  
267 hourly intervals. In total, I had access to approximately 29 million observations of day-  
268 hour export data.<sup>29</sup> For consistency, a solar panel owner was required to have a full year of  
269 solar exports to be included in the export estimation model.

270 **Q. How did you calculate the hourly export values for the customers with monthly**  
271 **totals provided by RMP?**

272 A. To disaggregate the monthly total export figures into hourly estimates, I used the RMP  
273 LRS 15-minute data which I aggregated to the hourly level and calculated the percentage  
274 contribution of each day-hour export value to the monthly total for each customer. From  
275 there, I calculated the median day-hour percentage across all customers included in the  
276 RMP LRS (Schedule 135 and Schedule 136). I then applied those percentages to the  
277 monthly totals received from RMP. In detail, the calculation is as follows:

- 278 1. Calculate the total monthly export totals per customer using the hourly exports from  
279 the RMP LRS;
- 280 2. Divide each customer's day- hour export amount by its total monthly exports within  
281 each month;

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<sup>29</sup> See Exhibit 4-AJL-REVISED.

- 282           3. Calculate the median values from Step 2 for each month, day, and hour;<sup>30</sup> and
- 283           4. Multiply the median values from Step 3 to the monthly totals received from RMP.

284           These steps produced day-hour estimates for the exports for each of the 30,621 customers

285           from whom we had monthly export total data.

286 **Q.    How did you estimate the exports for the portion of the population for whom you**

287 **did not have monthly export totals?**

288 A.    I developed an ordinary least squares (“OLS”) regression model.

289 **Q.    What was the dependent variable in export ratio model?**

290 A.    The dependent variable was exports as a percentage of nameplate capacity.

291 **Q.    How did you estimate the export ratio?**

292 A.    Using the OLS model, I estimated the statistical relationship between the export ratio and

293           the following factors:

- 294           1. Binary indicator for hour of the day (0-23);
- 295           2. Binary indicator for month of the year (1-12);
- 296           3. Interaction term between month and hour indicators;
- 297           4. Binary indicator for a weekend day;

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<sup>30</sup> If the medians did not sum exactly to one for a given month, I redistributed the remainder proportionally across all months according to the initial percentage so that the values would sum to one.

- 298 5. Interaction term between hour of the day and weekend indicators;
- 299 6. Various weather statistics based on zip code, day, and hour;
- 300 7. An indicator distinguishing between Schedule 135 and Schedule 136 customers;
- 301 and
- 302 8. An indicator distinguishing between commercial and residential solar panel
- 303 owners.

304 **Q. How did you use the findings of the model to produce total exports for this group?**

305 A. I applied the regression coefficients to estimate total exports for the 4,939 customers for

306 whom I had no export data to produce the day-hour estimates.

307 **Q. How did you calculate total exports?**

308 A. I summed the day-hour data provided by RMP's LRS, the day-hour estimations I calculated

309 using the disaggregation method from the monthly totals, and the day-hour projections

310 produced by the model to calculate the total exports for the full population for the full year.

311 **Q. How did you test the reliability of your regression models?**

312 A. I calculated the R-squared of the regressions, which calculates how well the model predicts

313 the dependent variable (*e.g.*, production ratio). The figure is bounded between 0 and 1,

314 where values closer to 1 are better at explaining the variability of the data. The base R-

315 squared values for the production and export models are 0.74 and 0.60, respectively. The

316 production R-squared is higher because it is driven by the mechanical process and weather,

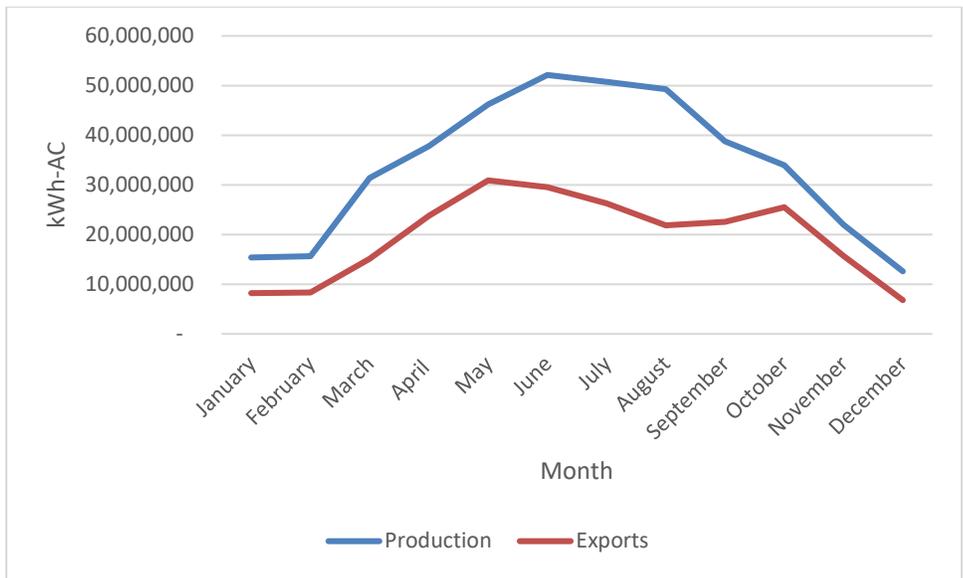
317 while exports are additionally driven by consumer behavior.

318 **VIII. CONCLUSION**

319 **Q. What are your conclusions based on the models' findings?**

320 A. Figure 2 shows that the peak month of production from CG is June, and the peak export  
321 month is May. In general, production and exports are higher in the Spring and Summer  
322 months.

323 **Figure 2: Production & Exports by Months (2019)**



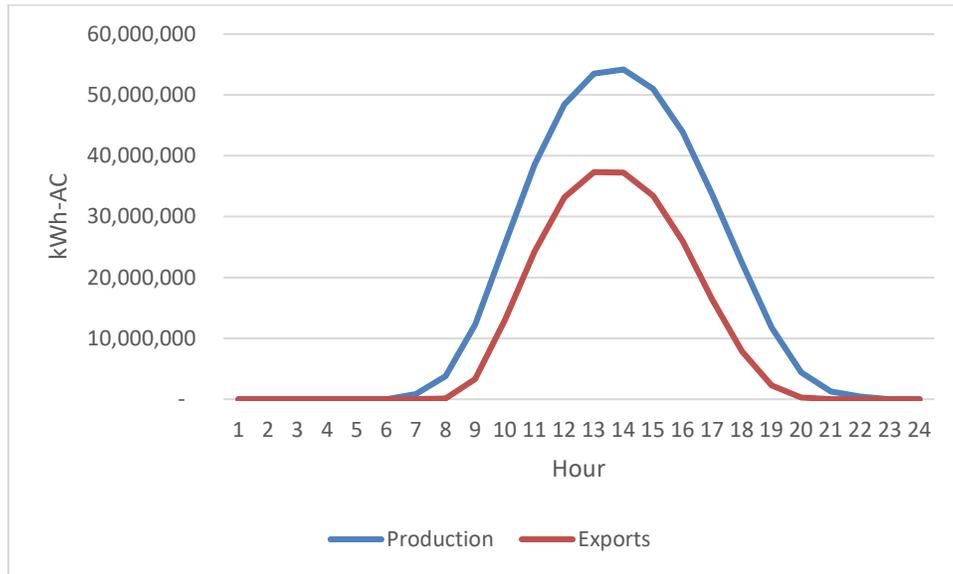
324

325

326 Figure 3 shows that the peak production and export hours are between 12PM and 2PM and  
327 12PM and 3PM, respectively. In general, production and exports are low in the early  
328 morning and late evening hours and are zero overnight.

329

**Figure 3: Production by Hours (2019)**



330

331

332 I provided Exhibit 1-AJL-REVISED to Dr. Michael Milligan, Mr. Curt Volkmann, Dr.  
333 Spencer Yang, and Dr. Carolyn Berry. This exhibit includes my assessment of the total CG  
334 production and total CG exports on an hourly basis for all of 2019. It also provides the  
335 annual production factor (total production kWh/installed kW) and export factor (exported  
336 kWh/installed kW).

337 **Q. Does this conclude your revised testimony?**

338 A. Yes.

**CERTIFICATE OF SERVICE**

I hereby certify that on this 8th day of May, 2020 a true and correct copy of the foregoing was served by email upon the following:

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