

November 23, 2020

VIA EMAIL

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Administrator

Re: Docket No. 17-035-61 Application of Rocky Mountain Power to Establish Export Credits for Customer Generated Electricity Comments on DPU's Action Request Response

In accordance with the Notice of Comment Period issued on November 18, 2020 by the Public Service Commission of Utah (Commission), the Utah Solar Energy Association (USEA) respectfully submits comments on the Division of Public Utilities' (DPU) Action Request Response regarding the November 10, 2020 tariff compliance filing by Rocky Mountain Power (Company).

USEA has comments on DPU's Action Request Response regarding four areas of the tariff filing; inclusion of batteries as an eligible facility, annual Export Credit Rate (ECR) updates, the definition of exported customer-generated energy, and application of export credit rate value

Batteries

USEA agrees with the Division's recommendation that the Commission determine whether or not batteries should be included in Schedule 137 and direct the Company to remove batteries from the Schedule 137 tariff. We agree that the issue of stand-alone batteries in Schedule 137 was not addressed in the Commission's order. Further, batteries are not generators of electricity and will not materially impact energy from a home that is exported to the grid. Including batteries in the definition of "Renewable Generating Facility" within the tariff for the purposes of Schedule 137 is not necessary.

ECR Annual Updates

In its Order on October 30, 2020, the Commission approved an annual ECR update and declined to provide long-term price guarantees to Schedule 137 customers. The Order stated, "We find that it is just and reasonable to update the ECR annually, without providing long-term price guarantees to Schedule 137 customers. We find that annually updating the ECR is just and reasonable. Energy and capacity prices can change each year; no party argued otherwise." And further, "ECR annual updates will instead focus on the narrow issues related to the values

represented in the ECR and other elements of Schedule 137. These updates will not directly impact the rates an RMP customer pays for electricity service from RMP, but instead will only impact the compensation Schedule 137 participants receive for their excess electricity. We invite any interested person to file comments on the potential timing, procedure, and scope of these annual updates on or before February 8, 2021, and to file reply comments on or before March 22, 2021.”

USEA has not found mention of annual ECR updates within the tariff filed by the Company on November 10. USEA believes that in the interest of consumer protection, it may be valuable to have language within the tariff that states, to some effect, the Export Credit Rate is subject to annual change via regulatory action.

Additionally, USEA seeks clarification from the Commission on how solar retailers can provide written cost savings estimate to prospective Schedule 137 customers. At this time, there is no process to calculate ECR annual updates, no timeline for when an update could happen each year, and, obviously, no history of prior ECR adjustments. Solar retailers will not have a reasonable understanding of the ECR update process and/or how much the ECR is subject to change in a given year.

Utah Code 13-52-202, Contents of disclosure statement for any solar agreement, states (https://le.utah.gov/xcode/Title13/Chapter52/13-52-S202.html?v=C13-52-S202_2018050820180508), “ *If a solar retailer is proposing to enter any solar agreement with a potential customer, the disclosure statement required in Subsection [13-52-201\(1\)](#) shall include:*

- (1) a statement indicating that operations or maintenance services are not included as part of the solar agreement, if those services are not included as part of the solar agreement;*
- (2) if the solar retailer provides any written estimate of the savings the potential customer is projected to realize from the system:
 - (a) (i) the estimated projected savings over the life of the solar agreement; and*
 - (ii) at the discretion of the solar retailer, the estimated projected savings over any longer period not to exceed the anticipated useful life of the system;*
 - (b) any material assumptions used to calculate estimated projected savings and the source of those assumptions, including:
 - (i) if an annual electricity rate increase is assumed, the rate of the increase and the solar retailer's basis for the assumption of the rate increase;*
 - (ii) the potential customer's eligibility for or receipt of tax credits or other governmental or utility incentives;*
 - (iii) system production data, including production degradation;*
 - (iv) the system's eligibility for interconnection under any net metering or similar program;*
 - (v) electrical usage and the system's designed offset of the electrical usage;***

- (vi) historical utility costs paid by the potential customer;*
- (vii) any rate escalation affecting a payment between the potential customer and the solar retailer; and*
- (viii) the costs associated with replacing equipment making up part of the system or, if those costs are not assumed, a statement indicating that those costs are not assumed; and”*

The above code, specifically, states “solar retailers are required to provide any material assumptions used to calculate estimated project savings and the source of those assumptions, including: (i) if annual electricity rate increase is assumed, the rate of the increase and the solar retailer’s basis for the assumption of that rate increase”. USEA seeks to understand how a solar retailer can provide a cost savings estimate to a customer if they are required to provide material assumptions under these conditions without violating state law. If solar retailers will not have any basis of understanding as to how the ECR will update annually, USEA may be in a position to advise solar retailers to not provide a cost savings so as not to violate state code. Further, if a solar retailer does provide a written estimate with some basis of how the ECR might change, will that be in the best interest of prospective customers?

The estimated cost savings is the number one tool used by solar retailers to inform their customers and sell systems. Without some context within the tariff as to how the ECR might update on annual basis, that tool is effectively taken away.

Definition of Exported Customer-Generated Energy

USEA is supportive of the questions and recommendations brought forward in the comments by Utah Clean Energy (UCE) regarding “Definition of Exported Customer-Generated Energy.” USEA does not wish to complicate this complicated discussion with further comments and will simply support the entire contents of UCE’s comment section with the above title.

Application of Export Credit Rate Value to Customer Bills

USEA is also supportive of the questions and recommendations brought forward in the comments by UCE regarding “Application of Export Credit Rate Value to Customer Bills.” USEA does not wish to add further comments and simply supports the entire contents of UCE’s comment section with the above title.



Ryan Evans
President, Utah Solar Energy Association