



PROTECTING THE WEST'S LAND, AIR, AND WATER

November 27, 2018

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

RE: Docket No. 18-035-39

Investigation Re: Expiring Excess Generation Credits under Schedule 135
Reply Comments of Western Resource Advocates

On October 10, 2018, the Public Service Commission (“Commission”) issued a Notice of Docket and Comment Period requesting comments regarding alternative uses of expiring excess generation credits remaining at the end of the annualized period under Schedule 135 (“Expiring Excess Credits”). On November 7, the Office of Consumer Services, AARP (et al.), Utah Clean Energy, the Division of Public Utilities, and Rocky Mountain Power filed comments. The Office, AARP et al., and Utah Clean Energy support transferring the expiring excess credits to the Utah Weatherization Assistance Program (WAP) administered by the Utah Department of Workforce Services. These parties propose to transfer the credits directly to the WAP rather than funneling them through Rocky Mountain Power’s Schedule 118.

Western Resource Advocates (WRA) appreciates the opportunity to provide input on and respond to initial comments regarding the treatment of expiring excess credits under Schedule 135, pursuant to U.C.A § 54-15-104(4) (“Unused Credits Provision”). WRA supports the proposals of the Office of Consumer Services, Utah Clean Energy, and AARP et al. to utilize the Commission’s authority under the Unused Credits Provision to transfer expiring excess credits to the Weatherization Assistance Program to enhance the reach of that important program. WRA also does not oppose granting the expired excess credits to the Salvation Army’s Lend-A-Hand program, but disputes Rocky Mountain Power’s rationale for supporting it over the WAP.

WRA supports the proposal to transfer the funds directly to the WAP program for the following reasons:

- The avoided cost value of the most recent year of expiring excess credits is roughly \$160,000. It is unclear if this high level of expiring excess credits will persist, so the Commission has a potentially time-limited opportunity to significantly benefit the public interest by transferring these unique funds¹ to a program that will promote lasting conservation of resources and energy, consistent with the Commission’s public interest oversight under U.C.A. § 54-3-1.
- Transferring funds to the WAP will provide direct *and lasting* benefits to low-income customers in terms of conserving resources and providing energy efficiency savings. The Weatherization Assistance Program provides direct installations of energy savings measures (as opposed to bill credits). It is a well-established, much-needed program, subject to significant oversight, and is capable of utilizing these funds expeditiously to provide long-term

¹ Rather than representing a fund that is directly paid for by RMP customers, this fund represents the *avoided cost value* of annual excess generation (unused net metering bill credits) from rooftop solar systems.

benefits for low-income RMP customers.² Transferring the expiring excess credits to this program to pay for energy efficiency improvements will provide persistent energy savings and associated bill reductions over time (as well as increased comfort).

- While the Lend-A-Hand program is likely also an appropriate use of the expiring excess credits, granting the funds to the WAP represents a better opportunity for promoting long-term energy conservation. The Commission has a unique and exciting opportunity to provide weatherization measures that permanently improve the energy efficiency and comfort of homes, rather than providing only temporary aid in the form of bill credits.
- Schedule 118 is not currently an appropriate vehicle through which to send unused net metering credits. WRA agrees with the Office that this tariff is in need of further review and adjustment, and that this process will take too long for Schedule 118 to offer a solution regarding the current fund of expiring excess credits.

Rocky Mountain Power opposes transferring expiring excess credits to the WAP because weatherization will provide natural gas savings in addition to electricity savings. Instead, RMP proposes to transfer the credits to the Salvation Army's Lend-A-Hand program to provide electricity bill payment assistance. As stated above, WRA does not oppose using expiring excess credits to contribute to this important program; nevertheless, WRA believes the WAP to present a better opportunity to implement lasting conservation benefits. Further, WRA disputes the Company's rationale for opposing a transfer of expiring excess credits to the WAP.

The Company offers problematic and perplexing statutory interpretation to justify its opposition to transferring expiring excess credits to the WAP. U.C.A. § 54-15-104(4) indicates that expiring unused credits shall be granted to the electrical corporation's low-income assistance programs as determined by the Commission, or, explicitly, for "another use as determined by [the Commission]." The Company seems to dispute that the explicit authorization to use the funds for "another use" actually allows the Commission to do just that. The Company's logic renders the plain language of the statute meaningless and undermines the specific grant of authority to create "another use" for expiring excess credits if determined appropriate by the Commission. The Commission clearly has the authority to determine whether it is appropriate and in the public interest to grant expiring excess credits to the WAP.

For the foregoing reasons, WRA recommends that the Commission utilize its authority under U.C.A. § 54-15-104(4)(b) to grant the current fund of expiring excess credits to the Utah Weatherization Assistance Program to provide lasting energy savings for low-income Rocky Mountain Power customers.

Sincerely,



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² Office Comments, page 4.

CERTIFICATE OF SERVICE
Docket No. 18-035-39

I hereby certify that a true and correct copy of the foregoing was served by email this 27th day of November 2018 on the following:

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