



We Partner to Build the New Clean Energy Economy

April 29, 2019

UTAH PUBLIC SERVICE COMMISSION  
Heber M. Wells Building  
160 East 300 South, 4<sup>th</sup> Floor  
Salt Lake City, Utah 84111

**Re: Docket No. 19-035-15: In the Matter of Rocky Mountain Power’s 2018 Annual Report of the Subscriber Solar Program**

**Introduction**

On March 29, 2019, Rocky Mountain Power (“Company”) filed the 2018 Annual Report of the Subscriber Solar Program. On April 1, 2019 the Utah Public Service Commission (“Commission”) issued a Notice of Filing and Comment period, inviting comments on the Subscriber Solar 2018 Annual Report from any interested party to be submitted on or before April 29, 2019. Utah Clean Energy appreciates the opportunity to file comments on the 2018 Annual Report, and provides the following comments addressing the Company’s future plans for the Subscriber Solar Program (“Program”). Given the success of the program and in anticipation of a Subscriber Solar program expansion, we recommend that Company consider ways to better serve low-income customers through the Subscriber Solar program.

**Background**

Utah Clean Energy participated in Docket No. 15-035-61, through which the Company sought approval of the Subscriber Solar Program. UCE provided comments<sup>1</sup> on the Company’s initial application and signed on to the Amended Settlement Agreement which was approved by the Commission on October 21, 2015. The Amended Settlement Agreement requires the Company to file a report documenting the Program subscription rate and other material program statistics six months after Program launch and annually thereafter.<sup>2</sup> We appreciate the Company’s efforts to provide timely and detailed reports on the Subscriber Solar Program, and to engage interested stakeholders in conversations about the annual report and the future of the program.

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<sup>1</sup> Docket No. 15-035-61, Utah Clean Energy Comments, August 12, 2015; Docket No. 15-035-61, Utah Clean Energy Reply Comments, August 27, 2015.

<sup>2</sup> Docket No. 15-035-61, Amended Settlement Agreement filed October 8, 2015, paragraph 23.

## Utah Clean Energy Comments

Utah Clean Energy provided the following reply comments prior to Commission approval of the Subscriber Solar Program in 2015:

“UCE recognizes that this Program represents a small risk to ratepayers if it is undersubscribed and the marketing and administration costs must be collected from non-participating rate payers. However, we believe that the risk of undersubscription is low and the magnitude of the impact is also quite low. The Company is facing a changing energy landscape. It is a challenge for utilities to keep pace with rapid technological change and respond to changing customer needs. Pilot programs are not entirely without risk, but to the extent that risks to ratepayers are kept relatively low, pilot programs give utilities the opportunity to test and evaluate new services, products, and technologies that could have significant benefits to customers.”<sup>3</sup>

We are pleased to see that the 2018 Subscriber Solar Annual Report demonstrates that Program subscription rates have been higher than anticipated, and that spending on Administration, Marketing, and Billing has been lower than budgeted. The Annual Report notes that the Program was 100% subscribed as of December 31, 2018, and that “the program has spent approximately \$928,000 less than what was originally anticipated to subscribe the program at 100% through the 2nd year of production.”<sup>4</sup> Proprietary Exhibit B includes documentation of the original program costs model and a proposed re-allocation of unspent program budget to a Subscriber Solar program expansion.

Recognizing that an expansion to the Subscriber Solar program has not yet been applied for nor approved, UCE is supportive of future expansions to the Subscriber Solar Program in concept. The subscription rate (and presence of a wait list) demonstrates that there is additional demand for more shares to Subscriber Solar. Further, having demonstrated the success of the Program in its current form, UCE would like to see the Company work with stakeholders to explore opportunities to improve the program.

Utah Clean Energy provided comments on the six month Subscriber Solar Program Status Report on July 25, 2017 in which we stated:

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<sup>3</sup> Docket No. 15-035-61, Utah Clean Energy Comments, August 27, 2015, page 2.

<sup>4</sup> Docket No. 19-035-15, Subscriber Solar Status Report January 1, 2018 – December 31, 2019, March 29 2019, page 3.

“When considering future offerings of the Subscriber Solar program, we recommend the Company work with stakeholders to evaluate community solar programs around the country that include service to low income customers and consider ways to include low-income customers in Utah. Many states and utilities have incorporated low-income components into their community solar offerings... If the Company decides to expand the Subscriber Solar Program, we recommend that the Company convene interested stakeholders to explore ways to ensure that low-income customers have cost-effective opportunities to access power generated from solar energy.”<sup>5</sup>

We reiterate this recommendation, and note that in subsequent years there have been additional efforts to make community solar programs more inclusive to low-income customers. Twelve states and the District of Columbia have developed community solar programs designed for low- and moderate-income (LMI) customers.<sup>6</sup> A report reviewing these programs published by the National Renewable Energy Laboratory identifies a variety of program designs and financing models, including programs that partially or wholly subsidize the cost of subscription for low-income customers. The same report provides policy recommendations to maximize the benefits of participation for LMI customers while keeping project costs low. The Colorado Energy Office has also published a review of the Colorado Low-Income Solar Demonstration Project, which consists of nearly 1.5 MW of community solar projects operated by eight utilities and serving 380 LMI households. The report includes findings from these projects and policy recommendations.<sup>7</sup>

As a part of the Company’s Subscriber Solar expansion, we suggest that a portion of the \$928,000 budget surplus could be used to ensure that shares of Subscriber Solar are more affordable for low-income customers.

## Conclusion

Utah Clean Energy appreciates the Company’s detailed 2018 Subscriber Solar Program Annual Report and the opportunity to provide these comments. The information contained in the Annual Report is very useful to help stakeholders evaluate the success of the program and to inform consideration of future program refinements or expansion. Utah Clean Energy hopes to

<sup>5</sup> Docket No. 15-035-61, Utah Clean Energy Comments, July 25 2017, page 4.

<sup>6</sup> Heeter, Jenny, Lori Bird, Eric O’Shaughnessy, and Sam Koebrich. 2018. Design and Implementation of Community Solar Programs for Low- and Moderate-Income Customers. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20- 71652. <https://www.nrel.gov/docs/fy19osti/71652.pdf>.

<sup>7</sup> Dobos, Hilary, and Emily Artale. 2017. Insights from the Colorado Energy Office Low-Income Community Solar Demonstration Project. Denver, CO: Lotus Engineering and Sustainability, LLC. <https://www.colorado.gov/pacific/sites/default/files/Insights%20from%20the%20CEO%20Low-Income%20Community%20Solar%20Demonstration%20Project.pdf>.

continue to work with the Company and other interested parties to refine the current Subscriber Solar program, and we recommend that the Company consider ways to better serve low-income customers in future expansions of the Subscriber Solar program.

Sincerely,

A handwritten signature in cursive script that reads "Kate Bowman". The signature is written in black ink and is positioned above a horizontal line.

Kate Bowman  
Renewable Energy Program Manager

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by e-mail this 29<sup>th</sup> day of April 2019 on the following:

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Kate Bowman