



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

To: Utah Public Service Commission

From: Utah Clean Energy
Kate Bowman, Renewable Energy Program Manager

Date: August 8, 2019

Re: Docket No. 19-035-T12
Advice No. 19-12
In the Matter of the Application of Rocky Mountain Power for Authority to Refund Revenues Associated with the Solar Incentive Program

Utah Clean Energy appreciates the opportunity to provide comments in response to Rocky Mountain Power's ("Company") Application for Authority to Refund Revenues Associated with the Solar Incentive Program. Through this filing, the Company requests Public Service Commission ("Commission") authorization to refund a surplus program balance of approximately \$3.06 million from the Utah Solar Incentive Program ("USIP") to ratepayers over 12 months through a reduction in the Sustainable Transportation and Energy Plan ("STEP") surcharge portion of Electric Service Schedule No. 196. Utah Clean Energy recommends that the surplus revenue instead be credited to the STEP program and used for future STEP programs to improve integration of renewable and distributed energy technologies.

Investment in STEP programs provides a valuable opportunity for the Company to explore strategies to leverage emerging technologies while keeping costs low for all customers. In a time of unprecedented change in the electricity industry, we believe that these opportunities



are more important than ever, and it is in the public interest to leverage the surplus revenue from the USIP program for future STEP programs.

The Solar Incentive Program (Schedule No. 107) was approved by the Commission in 2007¹ and extended in 2011 and 2012.² The Program was designed to provide a total of \$50 million in rebates to incentivize solar projects through 2017. The Solar Incentive Program was closed in 2016 through the passage of Senate Bill 115 “Sustainable Transportation and Energy Plan Act.”³ At this point, the deadline for customers receiving an incentive to complete their solar installation through USIP has passed, although the Company continues to pay out incentives that have been awarded to Large Non-Residential customers, who receive their incentive payment in five annual installments.

The Company now believes “the remaining Program obligations can be estimated with a high degree of certainty,” and notes that the Program has a surplus of revenues.⁴ The Company has recommended refunding the surplus revenue through a reduction in the Schedule No. 196 STEP surcharge. As an illustration of the impact of this refund to customers, the Company has provided a Monthly Billing Comparison for residential customers illustrating that the refund would equal 10 cents per month for the average residential customer.⁵

The purpose of both the USIP and STEP programs was to provide funding to incentivize pilot programs and research associated with the growth and integration of new and innovative

¹ Docket No. 07-035-T14. Commission Order, August 3 2007.

² Docket No. 11-035-104, In the Matter of the Investigation into Extending and Expanding the Solar Incentive Program and Possible Development of an Ongoing Program. Order, October 1, 2012.

³ SB 115 “Sustainable Transportation and Energy Plan Act.” 2016 General Session.

⁴ Docket No. 19-035-T12. Rocky Mountain Power Tariff, July 23 2019. Paragraph 10.

⁵ Docket No. 19-035-T12. Rocky Mountain Power Tariff, Exhibit A – Estimated Effect of Proposed Schedule 196 Changes, July 23 2019. Page 13.



technologies. Electric utilities are facing a time of unprecedented change, driven both by the low cost of renewable energy resources and the growth of distributed energy resources. Research and pilot programs allow the utility to explore and test strategies for the cost-effective integration of renewable and distributed energy resources while identifying opportunities to use these technologies to improve grid flexibility and keep costs low for ratepayers. The surplus revenue from the USIP program has already been collected from ratepayers, and we believe it is in the public interest to transfer the remaining balance to the STEP program where it can be used to fund future programs and initiatives that are in the interest of ratepayers.

We appreciate that the Company has scheduled a STEP exit strategy meeting in November 2019 to discuss the use of any unspent program funds at the conclusion of the STEP program. We support the Company's recommendation that the final remaining balance of the USIP program, as anticipated for 2023, also be addressed at this meeting. We further recommend that surplus revenue from the USIP program at this time be transferred to the STEP program, where it can be used to fund additional projects to the benefit of ratepayers.

Respectfully,

A handwritten signature in blue ink that reads "Kate Bowman".

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CERTIFICATE OF SERVICE

Advice No. 19-12
Docket No. 19-035-T12

I hereby certify that on August 8, 2019, a true and correct copy of the foregoing was served by electronic mail to the following:

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