

Anderson OCS – 2SR

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky
Mountain Power For Authority to Increase its
Retail Electric Utility Service Rates in Utah
and for Approval of its Proposed Electric
Service Schedules and Electric Service
Regulations

)
) **Docket No. 20-035-04**
)
) **Phase I Surrebuttal Testimony of**
) **Alyson Anderson**
) **On behalf of the Utah**
) **Office of Consumer Services**
)

October 29, 2020

1 **Q. WHAT IS YOUR NAME, OCCUPATION AND BUSINESS ADDRESS?**

2 A. My name is Alyson Anderson. I am a utility analyst for the Utah Office of
3 Consumer Services (“OCS”). My business address is 160 East 300 South,
4 Salt Lake City, Utah.

5

6 **Q. DID YOU SUBMIT TESTIMONY EARLIER IN THE REVENUE
7 REQUIREMENT PHASE OF THIS DOCKET?**

8 A Yes, I previously submitted direct testimony introducing the OCS’s
9 witnesses and addressing the Rocky Mountain Power’s (“RMP”) proposed
10 expansion of the subscriber solar program.

11

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13 A. I respond to the rebuttal testimonies of Joelle Steward and Kyle Moore of
14 RMP, Sarah Wright of Utah Clean Energy (“UCE”), and Robert Davis of
15 the Utah Division of Public Utilities (“DPU”) on the issue of the subscriber
16 solar program expansion proposed by RMP.

17

18 **Q. IN DIRECT TESTIMONY DID THE OCS SUPPORT THE EXPANSION
19 OF THE SUBSCRIBER SOLAR PROGRAM IN THIS GENERAL RATE
20 CASE FILING?**

21 A. No. As I explained in my direct testimony, the OCS is opposed to an
22 expansion for several reasons. First, the OCS raised some accounting
23 concerns and questioned whether the current program will continue to pay

24 for its costs. Second, the OCS expressed concern that RMP had not
25 provided adequate details about the proposed expanded program.
26 Finally, the OCS opposed the program for serving a subset of ratepayers
27 yet using all ratepayers has a backstop to ensure that RMP recovers all
28 costs.

29

30 **Q. IN REBUTTAL, RMP WITNESS JOELLE STEWARD SAID YOU**
31 **MISCHARACTERIZED THE COMPANY AS SEEKING PRE-APPROVAL**
32 **OF AN EXPANDED PROJECT. HOW DO YOU RESPOND?**

33 A. In direct testimony, I did state, “the company has requested pre-approval
34 of the expanded project with the promise of details to come after
35 approval.” In rebuttal, Ms. Steward stated, “Approval of the new program
36 structure in this proceeding does not pre-approve the program expansion;
37 it provides the Company the opportunity to seek expansion for new
38 participants with new resources after the rate case. By having some
39 certainty on the program structure from the rate case, the Company would
40 have more certainty to be able to develop the program marketing
41 materials and procure the new resource for the expanded program more
42 quickly after the rate case and before expiration of tax credits.”¹ The
43 company did not make this position clear with the original filing, and I

¹ Docket No. 20-035-04 RMP Rebuttal Testimony Joelle R. Steward, Lines 424-430.

44 characterized their position as accurately as possible based on my
45 understanding of its filing

46

47 **Q. DOES RMP'S CLARIFICATION CHANGE YOUR POSITION**
48 **REGARDING THE EXPANSION OF THE SUBSCRIBER SOLAR**
49 **PROGRAM?**

50 A. No. In fact, despite Ms. Steward's additional explanation in rebuttal
51 testimony, it remains unclear to me what specific approval RMP seeks. If
52 the PSC approves "the structure" of an expansion, that would appear to be
53 approval of a program expansion subject presumably to the prudence of
54 the acquisition of future resources. I am unaware of any other
55 circumstance in which the PSC approved a program's structure without
56 approving the actual program. I am uncertain how a party could oppose
57 the expansion itself if the structure is approved. At the same time, I do not
58 understand the value of approving a structure in this rate case. If it
59 becomes apparent that the structure is not in the public interest once a
60 specific resource is evaluated, then any approval in this case is
61 meaningless. Finally, my direct testimony demonstrates that expansion of
62 the subscriber solar program as currently proposed is specifically not in
63 the public interest for the reasons I provided in my direct testimony and
64 summarized above. Thus, the best option remains to evaluate the
65 program expansion in a standalone filing, preferably after more
66 information regarding the specific resources is known.

67

68 **Q. HAVE OTHER PARTIES ACKNOWLEDGED THAT EXPANSION OF**
69 **THE SUBSCRIBER SOLAR PROGRAM WOULD BE MORE**
70 **APPROPRIATE AS A STANDALONE FILING?**

71 A. Yes. DPU witness Robert Davis stated in rebuttal testimony, “. . . unless
72 RMP provides the parties with ample evidence of the resource costs and
73 accounting of the Program as part of this general rate case docket, it
74 should withdraw its proposal and open it as a stand-alone docket when
75 the information becomes available.”² In direct testimony Sarah Wright of
76 UCE said, “Subscriber Solar was created through a standalone docket,
77 and the Company’s proposed revisions to the Program could be
78 accomplished through a tariff revision outside of the rate case.”³ I agree
79 with both of these statements, but note the need for additional program
80 specifics and changes to remove the risks to non-participating ratepayers
81 are necessary for the program to be in the public interest regardless of
82 what proceeding is used for its evaluation.

83

² Docket No. 20-035-04 DPU Rebuttal Testimony Robert A. Davis, Lines 126-129.

³ Docket No. 20-035-04 UCE Direct Testimony Sarah Wright, Lines 32-34.

84 **Q. HOW DO YOU RESPOND TO RMP'S COMMITMENT TO HOLD A**
85 **STAKEHOLDER MEETING TO EXPLAIN THE AMORTIZATION**
86 **EXPENSE ASSOCIATED WITH THE "LIABILITY ACCOUNT"⁴?**

87 A. The OCS appreciates RMP's willingness to hold a stakeholder meeting to
88 alleviate the confusion surrounding the "liability account" amortization.
89 Once again, it begs the question as to whether this could be best
90 addressed and accomplished in a standalone filing.

91

92 **Q. MR. MOORE OUTLINES THE COMPANY'S PLAN FOR MITIGATING**
93 **THE IMPACTS OF MIGRATION BETWEEN THE PROGRAMS.⁵ DOES**
94 **THIS NEW PLAN SATISFY THE CONCERNS OCS HAD REGARDING**
95 **THE INTERACTION BETWEEN THE TWO PROGRAMS?**

96 A. While Mr. Moore provides additional details, I am concerned why this
97 information was not presented in RMP's original filing or even through
98 discovery. Further, RMP did not address the OCS's primary issue with the
99 expanded program, which is that the proposed Subscriber Solar Program
100 expansion requires non-participants to bear the risk for a voluntary rate
101 program. At this point, the review and approval of the Subscriber Solar
102 Program expansion is best in a standalone filing.

⁴ Docket No. 20-035-04 RMP Rebuttal Testimony of Kyle T. Moore, Lines 174-177.

⁵ Docket No. 20-035-04 RMP Rebuttal Testimony of Kyle T. Moore, Lines 90-114.

103 **Q. RMP WITNESS KYLE MOORE SAID IT IS REASONABLE TO ASSESS**
104 **A NEGLIGIBLE AMOUNT OF COSTS ASSOCIATED WITH THE**
105 **SUBSCRIBER SOLAR PROGRAM TO NON-SUBSCRIBERS.⁶ DO YOU**
106 **AGREE?**

107 A. No, customers who participate in voluntary rates should pay the full cost of
108 those rates, and non-participating ratepayers should not carry any risk
109 associated with voluntary rate programs. RMP has said the expanded
110 program will be marketed under the Blue Sky program umbrella⁷, and the
111 OCS has suggested the expanded program should also recover costs
112 similar to the Blue Sky program; completely from subscribers. If RMP is
113 confident of its cost management, it should be willing to bear the risks of
114 non-recovery or design a program that resets the rates more frequently. It
115 remains inappropriate for ratepayers to bear the risk of a voluntary rate
116 program, no matter how popular. Further, given that the current Blue Sky
117 program carefully separates costs from non-participating customers,
118 marketing the Subscriber Solar Program expansion under the Blue Sky
119 program could undermine the transparency and cost isolation of that
120 program as well.

121

⁶ Docket No. 20-035-04 RMP Rebuttal Testimony of Kyle T Moore, Lines 123-125.

⁷ Docket No. 20-035-04 RMP Rebuttal Testimony of Kyle T. Moore, Lines 143-145.

122 **Q. HAS RMP'S REBUTTAL TESTIMONY CHANGED THE OCS'S**
123 **POSITION ON THE SUBSCRIBER SOLAR PROGRAM EXPANSION?**

124 A. No. While RMP has provided some additional details in rebuttal, it is
125 insufficient to demonstrate that the program is in the public interest
126 particularly since it continues to assign risks and costs to non-participating
127 customers. However, if the PSC approves the expansion it should
128 completely remove the burden of risk from the non-subscribers of the
129 expanded program.

130

131 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

132 A. Yes.

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