
BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky
Mountain Power to Implement Community
Clean Energy Program Authorized by the
Community Clean Energy Act

Docket No. 25-035-06

DIRECT TESTIMONY AND EXHIBITS OF

DANIEL E. DUGAN

On Behalf of the
Community Renewable Energy Agency

July 18, 2025

1 **DIRECT TESTIMONY OF DANIEL E. DUGAN**

2

3 **Introduction**

4 **Q. Please state your name and business address.**

5 **A.**My name is Daniel E. Dugan. My business address is Salt Lake City Hall, 451
6 South State Street, Salt Lake City, Utah 84111.

7 **Q. By whom are you employed and in what capacity?**

8 **A.**Since 2020, I have served on the Salt Lake City Council as the representative for
9 District Six, which includes the Bonneville Hills, East Bench, Sunnyside East,
10 Wasatch Hollow, Foothill-Sunnyside, and Yalecrest neighborhoods. I also serve
11 on the Community Reinvestment Agency as Board Vice Chair.

12 **Q. On whose behalf are you testifying in this proceeding?**

13 **A.**I'm testifying on behalf of the Community Renewable Energy Agency ("Agency").
14 Salt Lake City is a member of the Agency and I am Salt Lake City's representative
15 on the Community Renewable Energy Board. I serve as chair of the Community
16 Renewable Energy Board, which has decision-making authority for the Agency.

17 **Q. Please describe your educational and professional background.**

18 **A.**I have a bachelor's degree in mechanical engineering from University of
19 California, Santa Barbara and a master's degree in public administration from
20 Auburn University at Montgomery.

21 I served for 20 years in the United States Navy as an Officer and Aviator,
22 where I fulfilled multiple overseas deployments. Much of my post-Navy career

23 was spent leading operational teams in a manufacturing environment, where we
24 strived to improve quality and efficiency in production. I was employed at ATK
25 in Clearfield, Utah from 2004-2014, and then employed at Easton Technical
26 Products in Salt Lake City, UT from 2014-2020.

27 In addition, I currently serve as chair of the Intermountain Lacrosse
28 (IMLAX) board, one of the largest lacrosse leagues in the United States. I am
29 proud to have played a part in getting lacrosse to be a sanctioned high school
30 sport in Utah, making it the first new sport to be added in 20 years. I also serve
31 on the boards of the Utah League of Cities and Towns, Wasatch Front Regional
32 Council, and the Salt Lake Council of Governments.

33 **Q. Have you previously testified before this Commission?**

34 A. No.

35 **Q. Have you previously filed testimony before any other state utility regulatory
36 commissions?**

37 A. No.

38 **Overview of Testimony**

39 **Q. What is the purpose of your testimony in this proceeding?**

40 A. My testimony addresses the following:

41 • Background information on the passage of the Community Renewable Energy
42 Act;
43 • Formation of the Community Renewable Energy Agency;

44 • Actions taken by the 19 communities that make up the Agency to be eligible to
45 participate in the Program; and
46 • Actions taken by the Agency to develop the Program;
47 • Salt Lake City's support of the Program; and
48 • Recommendations for the Commission.

49 **Community Renewable Energy Act – Background**

50 **Q. Please briefly describe the Community Renewable Energy Act and its purpose.**
51 A. In 2019 the Utah Legislature adopted the Community Renewable Energy Act
52 ("Act"),¹ which permitted Utah towns, municipalities, and counties in which Rocky
53 Mountain Power provides electric service to work with Rocky Mountain Power to
54 create a Community Renewable Energy Program ("Program") and to acquire
55 renewable generation resources for Rocky Mountain Power's retail electric
56 customers within those communities. In that same year, this Commission adopted
57 rules to implement the Act and to enable the creation of the Program ("Rules").²
58 The Act and the Rules identified certain actions that must be completed by each
59 community seeking to participate in the Program.

60 **Q. What actions did the Act require communities to take to participate in the
61 Program?**

62 A. At the time the Act was adopted, it identified four requirements for a community to
63 participate in the Program. First, the community was required to adopt a resolution

¹ See Utah Code §§ 54-17-901 to -909.

² See Utah Admin. Code R746-314-101 to -402.

64 no later than December 31, 2019, that states a goal of achieving an amount
65 equivalent to 100% of the annual electric energy supply for participating customers
66 from a renewable energy resource by 2030 (“Resolution Requirement”).

67 Second, the community was required to enter into an agreement with Rocky
68 Mountain Power that includes a stipulation that the community would pay Rocky
69 Mountain Power for certain specified costs (“Utility Agreement Requirement”).

70 Third, following the Commission’s approval of the Program, each
71 community is required to adopt an ordinance establishing the community’s
72 participation in the Program (“Ordinance Requirement”).

73 Fourth, the community must take any other action required by this
74 Commission for the community to participate in the Program.

75 **Q. Has the Commission adopted any additional requirements for communities
76 seeking to participate in the Program?**

77 A. Yes. The Commission adopted Rules to implement the Act. The Rules require each
78 community seeking to participate in the Program to enter into a “governance
79 agreement,” which is “an interlocal or other agreement . . . among eligible
80 communities that intend to become participating communities and that “establishes
81 a decision-making process for program design, resource solicitation, resource
82 acquisition, and other program issues and provides a means of ensuring that eligible
83 communities and those that become participating communities will be able to reach
84 a single joint decision on any necessary program issues.”³

³ Utah Admin. Code R746-314-101(9).

85 **Agency – Background and Creation**

86 **Q. Did any communities satisfy the Resolution Requirement?**

87 A. Yes. As of December 31, 2019, twenty-three (23) Utah communities had passed a
88 resolution that states a goal of achieving an amount equivalent to 100% of the
89 annual electric energy supply for participating customers from a renewable energy
90 resource by 2030: Grand County, Salt Lake County, Summit County, Town of
91 Alta, Bluffdale City, Town of Castle Valley, Coalville City, Cottonwood Heights,
92 Emigration Canyon Township, Francis City, City of Holladay, Kamas City, Kearns
93 Metro Township, Moab City, Millcreek, Oakley City, Ogden City, Orem City, Park
94 City, Salt Lake City, Springdale City, West Jordan City, and West Valley City.

95 **Q. Did these communities then negotiate a governance agreement, as required by
96 the Commission Rules?**

97 A. Yes. These 23 communities negotiated an agreement that constitutes the
98 “governance agreement” required by the Rules. This agreement, titled Interlocal
99 Cooperation Agreement Among Public Entities Regarding the Community
100 Renewable Energy Program (“Governance Agreement”),⁴ was created pursuant to
101 the Interlocal Cooperation Act, which allows local governments to jointly form new
102 cooperative entities to provide services to their constituents.⁵ The purpose of the
103 Governance Agreement was “to establish the Agency and a decision-making
104 process for Program design, cost share allocation, resource solicitation, resource
105 acquisition, other Program issues and, as contemplated by the Act and Rules, to

⁴ A copy of the Governance Agreement is included as Attachment I to RMP’s Application in this docket.

⁵ See Utah Code Title 11, Chapter 13 (“Interlocal Cooperation Act”).

106 provide a means of ensuring that the Parties will be able to reach a single joint
107 decision on necessary Program issues, and to implement the Program in their
108 respective communities.”⁶ To this end, the Governance Agreement created the
109 Community Renewable Energy Board (“Board”), which was granted broad
110 decision-making authority for the Agency.⁷

111 **Q. Did all of the communities that satisfied the Resolution Requirement enter into**
112 **the Governance Agreement?**

113 A. Most of them did, but not all of them. Of the 23 communities that satisfied the
114 Resolution Requirement, 18 ultimately entered into the Governance Agreement.
115 The Governance Agreement became effective in 2021 and the 18 communities that
116 entered into the Governance Agreement formed the Agency at that time. These 18
117 communities were: Grand County, Salt Lake County, Summit County, Town of
118 Alta, Town of Castle Valley, Coalville City, Cottonwood Heights, Emigration
119 Canyon Township, Francis City, City of Holladay, Kearns Metro Township,
120 Millcreek, Moab City, Oakley City, Ogden City, Park City, Salt Lake City, and
121 Springdale City.

122 **Q. After the Agency was formed, did the Utah Legislature eliminate the**
123 **Resolution Requirement?**

124 A. Yes. Senate Bill 214, passed during the 2024 Utah Legislative Session, amended
125 the Act. Among other things, this amendment removed the Resolution
126 Requirement. The result of this amendment is that additional communities could

⁶ See Governance Agreement at 4.

⁷ See *id.* at 4-8.

127 join the Agency and become participating communities. Since the passage of that
128 bill, one additional community—Midvale—has executed the Governance
129 Agreement and joined the Agency.

130 **Q. Please identify the 19 communities that are now part of the Agency.**

131 A. The communities that form the Agency are:

132 Grand County, Salt Lake County, Summit County, Town of Alta, Town of
133 Castle Valley, Coalville City, Cottonwood Heights, Emigration Canyon Township,
134 Francis City, City of Holladay, Kearns Metro Township, Midvale, Millcreek, Moab
135 City, Oakley City, Ogden City, Park City, Salt Lake City, and Springdale City.

136 **Utility Agreement Requirement**

137 **Q. Have each of the 19 communities that are part of the Agency satisfied the**
138 **Utility Agreement Requirement?**

139 A. Yes. As discussed briefly above, the Utility Agreement Requirement obligates each
140 community that seeks to participate in the Program to enter into an agreement with
141 Rocky Mountain Power that contains certain provisions set forth in Utah Code §
142 54-17-903(2)(a). The Agency has negotiated an agreement that satisfies these
143 obligations and the Agency and each of the communities that seeks to participate
144 in the Program has executed this agreement.⁸

⁸ The Utility Agreement is included as Attachment H to RMP's Application in this docket. The Utility Agreement was initially executed by the Agency and each of the 18 original Agency communities in January of 2024. Following the 2024 Utah legislative session, the Utility Agreement was modified and signed by the Agency and all 19 of the current Agency communities.

145 Q. **Were any parts of the Utility Agreement negotiated and executed prior to the**
146 **Utility Agreement?**

147 A. Yes. Among other things, the Utility Agreement requires the communities to
148 stipulate to make certain payments for “third-party expertise contracted for by the
149 [Division of Public Utilities] and the [Office of Consumer Services] for assistance
150 with activities associated with initial approval of the [Program].”⁹ The Agency
151 sought to engage with the Division and the Office in the development of the Utility
152 Agreement and other aspects of Program design prior to time the Utility Agreement
153 was fully negotiated. Consistent with this effort, the Agency negotiated with the
154 Division, the Office, and Rocky Mountain Power to provide for the payment by the
155 Agency for third-party expertise engaged by the Division and the Office prior to
156 executing the Utility Agreement itself. This agreement was set forth in the
157 Agreement for Payment for Third-Party Expertise between the Agency and Rocky
158 Mountain and the Memorandum of Understanding Regarding Payment for Third-
159 Party Expertise between the Agency, Rocky Mountain Power, the Division, and the
160 Office, each of which was executed in July of 2022. When the Utility Agreement
161 was subsequently fully negotiated and executed, the Agreement for Payment for
162 Third-Party Expertise and the Memorandum of Understanding Regarding Payment
163 for Third-Party Expertise were both attached as Appendices to the Utility
164 Agreement and the obligations of each agreement were subsumed into the Utility
165 Agreement.¹⁰

⁹ See Utah Code § 54-17-903(2)(a)(i)(A).

¹⁰ See Utility Agreement.

166 Q. **When was the Utility Agreement fully negotiated and executed by the eligible
167 communities?**

168 A. The Utility Agreement was fully negotiated as of January of 2024 and was signed
169 that month by the 18 communities that formed the Agency at that time. The Utility
170 Agreement was subsequently amended to make changes consistent with the
171 amendments to the Act adopted during the 2024 General Legislative Session. These
172 amendments to the Utility Agreement included removing references to provisions
173 in the Act that had been eliminated and updating references that had been re-
174 numbered. Most significantly, the Utility Agreement was amended to add Midvale
175 as an eligible community. The amendments to the Utility Agreement were
176 completed and the amended Utility Agreement was signed by all 19 communities
177 by November of 2024.

178 **Agency - Operations**

179 Q. **Does the Agency hold public meetings?**

180 A. Yes. The Agency operates as a public body under Utah law, meaning it holds open
181 public meetings and publishes meeting agendas, minutes, and adopted resolutions
182 to the Utah public notice website. The Agency held its first meeting in July of
183 2021.

184 Q. **Where are Agency meetings held?**

185 A. Board meetings are held at Millcreek City Hall.

186 Q. **Do all Agency communities have a vote on matters presented to the Board?**

187 A. Yes. All 19 communities that are part of the Agency have a seat on the Board.
188 Prior to approval of the Program, matters before the Board are passed and approved
189 by a vote of at least a majority of Board members who are present and at which a
190 quorum is present. If two Board members call for a weighted vote, the matter is
191 decided by a vote that is weighted according to participation percentages. This
192 decision-making process is important because it allows the Board to make joint
193 decisions to arrive at a single program design, as contemplated in the Rules.

194 Q. **What has the Agency done to develop the Program?**

195 The Agency has taken many actions to help create and develop the Program. The
196 Agency has created committees to address specific aspects of the Program,
197 including the Program Design Committee, the Low-Income Plan Committee, and
198 the Communications Committee. The Agency has also engaged outside counsel to
199 represent the Board in negotiations with Rocky Mountain Power and consultants to
200 assist with Program design.

201 Q. **Please describe the work of the Program Design Committee.**

202 A. The Program Design Committee has been tasked with negotiating with Rocky
203 Mountain Power on all aspects of the design of the Program. Through the Program
204 Design Committee, the Board has been negotiating with Rocky Mountain Power to
205 seek alignment on program design issues since December of 2021. Through these
206 negotiations and through its independent work, the Program Design Committee has
207 made numerous recommendations to the Board regarding program design. The

208 Board has approved positions on various program design issues that will be detailed
209 in separate testimony.

210 **Q. Please describe the work of the Low-Income Plan Committee.**

211 A. The Agency established the Low-Income Plan Committee to help member
212 communities develop plans for low-income assistance, as required by the Act and
213 the Rules. The committee recommended and the Board approved two
214 programmatic approaches to low-income assistance that appear in every
215 community's proposed plan.

216 In resolution 22-11,¹¹ the Board approved offering an enhanced bill credit
217 to qualifying low-income households that participate in the Program. The amount
218 of the enhanced monthly bill credit would be established at the average monthly
219 residential customer Program rate impact, not to exceed \$7, and funded by a
220 surcharge applied to all other Program participants' bills in an amount that does not
221 exceed \$0.70 per month.

222 In resolution 22-12,¹² the Board approved a second programmatic approach
223 to low-income assistance, which is to waive any applicable termination fee for
224 qualifying low-income households.

225 To simplify the application of these two programmatic approaches and
226 reduce administrative costs, the Board decided that these approaches should
227 automatically apply to all participating customers who are enrolled in Rocky
228 Mountain Power's Schedule 3 "Low Income Lifeline Program – Residential

¹¹ A copy of resolution 22-11 is attached hereto as Agency Exhibit 1.1.

¹² A copy of resolution 22-12 is attached hereto as Agency Exhibit 1.2.

229 Service.” That is, program participants enrolled in Schedule 3 would automatically
230 receive the enhanced monthly bill credit and would have any otherwise-applicable
231 termination fee waived if the customer’s exit from the Program would otherwise
232 trigger a termination fee.

233 Each community’s plan for low-income assistance includes these two
234 programmatic approaches as well as a list of community organizations to whom
235 informational materials will be provided by participating communities concurrent
236 with the launch of the program. Across all 19 plans for low-income assistance,
237 around 100 organizations are identified for engagement. These organizations were
238 chosen because they interface with populations who may be disproportionately
239 impacted by price increases. The purpose of engaging with these organizations is
240 to help them educate their constituencies about the program before it launches and
241 find authoritative information about the program price, how to opt out, and
242 available assistance for eligible customers.

243 **Q. Please describe the work of the Communications Committee.**

244 A. The Board has tasked the Communications Committee with developing plans to
245 communicate with the public and with the constituents within the Agency’s
246 members regarding the Program. At the recommendation of the Communications
247 Committee, the Board has engaged a public relations firm called Penna Powers to
248 support the Agency’s communication functions. With Penna Powers, the
249 Communications Committee has also produced an informational poster that will be

250 distributed by communities to organizations as part of the plans for low-income
251 assistance.

252 In addition, the Communications Committee has established a website¹³
253 where the Agency's governing documents, the enabling statute and rules, and other
254 important items can be found.

255 **Salt Lake City's Support of the Program**

256 **Q. As Salt Lake City's representative on the Community Renewable Energy
257 Board, can you summarize Salt Lake City's actions to support the Community
258 Renewable Energy Program?**

259 A. Yes. Salt Lake City was one of several communities that played a significant role
260 in drafting and supporting the passage of the Community Renewable Energy Act
261 in 2019. It also was significantly involved in the subsequent rulemaking efforts
262 undertaken by this Commission. Salt Lake City engaged with numerous
263 communities in negotiations and drafting that culminated in the adoption of the
264 Governance Agreement. Along with other communities that make up the Agency,
265 Salt Lake City has actively participated in the collaborative work with Rocky
266 Mountain Power to design the Program.

267 **Q. Why does Salt Lake City believe it is important that the Program is
268 implemented and successful?**

269 A. Salt Lake City is committed to protecting the public health and safety of its
270 residents, including ensuring access to clean air, clean water and a livable

¹³ <https://www.utahrenewablecommunities.org>.

271 environment. In support of that commitment, Salt Lake City has adopted
272 resolutions that seek to transition municipal operations and the community as a
273 whole to cleaner and more sustainable path, collectively called “Climate Positive,”
274 The Climate Positive plan proposes a reduction in carbon emissions, and set various
275 goals, including that municipal operations be supported by 50% net renewable
276 energy by 2020, that community-wide energy usage be 100% net renewable energy
277 by 2030, and that by 2040 the community achieve an 80% reduction in greenhouse
278 gas emissions compared to a 2009 baseline.

279 Implementation of the Program is a vital tool to realizing these goals.

280 **Conclusion**

281 **Q. Do you have any recommendations for the Commission?**

282 A. Yes. I recommend that the Commission implement the Program, which will allow
283 the Agency to acquire renewable energy resources on behalf of the participating
284 customers in the communities. Other witnesses on behalf of the Agency will make
285 specific recommendations about the design of the Program, but I urge the
286 Commission to adopt a Program design that satisfies the requirements of the Act
287 and the Rules and is also affordable and sustainable for many years to come.

288 **Q. Does this conclude your direct testimony?**

289 A. Yes, it does.