

**ANNINA M. MITCHELL**

UTAH  
PUBLIC  
SERVICE  
COMMISSION

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RECEIVED  
18 November 2008

Re: Docket No. 08-035-78

To the Utah Public Service Commission:

You have requested public input concerning (1) establishing a higher amount of generating capacity from customer generation systems than the current 0.1 percent of Rocky Mountain Power's peak demand in 2007 and (2) the appropriate value of excess customer-generated electricity credits. I write here to reiterate my concerns about these matters, which were expressed in my previous letter to the Commission dated 8 October 2008.

I recently installed a solar array at my small vacation home in Springdale, Utah, that is tied to the grid operated by Rocky Mt. Power. As you know, this alternative energy source is not inexpensive; my 1KW worth of solar panels cost about \$10,000. I do not expect to live long enough to break even, but I believe it is important for me (and others who can afford it now) to demonstrate what is available so others can see the need and the feasibility of exploiting the sun instead of depending solely on nonrenewable resources to light our homes. That will never happen on any grand scale as long as the existing utility companies are allowed to design or operate the net-metering program in their own best interests instead of in the interests of consumers, our State, or our Nation

0.1% Cap on Net Metering Program There are two major problems with this aspect of the program. First, the amount of total energy to which the percentage cap is applied should only include the net electricity that my system feeds into the grid, not my system's total 1KW capacity. (Now that I think of it, maybe the utility is actually using 2KW capacity for my system since that is the capacity of my

inverter; this is another issue to be clarified.) Second, the cap percentage is far too low. If the PSC is serious about encouraging alternative energy sources, the cap should be set to (at least) 1%, particularly if the rules continue to allow the cap to remain a percentage of total generating **capacity** from customers' systems instead of their actual net production.

Value of Electricity Sent Back into the Grid Why I must pay full retail price to Rocky Mt. Power for each kw that I buy from them, yet they pay me only a portion of that price for what they "buy" from me, i.e., the "avoided cost" or about 50%. Does the company pay other, nonresidential electricity wholesalers only half of its retail price per KW? I doubt if the 50% figure can be justified by the costs of the company maintaining the grid. And this low valuation erects a serious disincentive to consumers who might otherwise consider net metering.

There are other issues that, as far as I know, still need to be addressed by the Commission:

Annual Lapse of Unused Credits Regardless of whether the credit is an even trade (1kw for 1kw) or at "avoided cost," I should not lose the value of the energy that is produced by my solar array but not used at that meter site by the end of the year. This is grossly unfair to consumers like me, who are in effect enslaved by the utility to produce electricity for it—for free—that it will turn around and sell to me or to another consumer at full retail price. I believe this system authorizes a "taking" of my property without just compensation, a violation of the U.S. and Utah Constitutions. Instead, the credit should carry over from year to year or Rocky Mt. Power should have to pay me at the end of each year for any excess net metering credit, as the City of St. George does.

Credit To a Customer, not Just Against a Meter I should be allowed to credit my solar array's production against the power I use at that site **and** at my residence in Salt Lake City since I am one customer, not two. The current net metering program at Rocky Mt. Power does

not allow this, though I have found no statute that requires the credit to be given against a meter instead of to a customer.

Governing Authority The electric companies don't like net metering because it cuts into their turf and their profits. Rocky Mt. Power's disinterest in net metering is blatant. Just look on their website and try to find easily accessible information there that is helpful and comprehensive about the subject. The company is happy to have me send them money for wind power, which they tout as their contribution to renewable energy sources, but it took me many phone calls and four months to get them to send me a copy of the completed net metering contract. The document and cover letter is dated April 17, but I didn't receive one until mid-August and another copy came on September 8 by priority mail. Their initial letter to me when I inquired about net metering, however, sternly warned in boldface type that I was not allowed to connect my net meter until I had the signed contract in hand.

The bottom line is that this monopoly utility should not be given authority to handle any complaints or problems with their own service because they cannot be neutral in such disputes. That authority should remain in the PSC. Additionally, the company should be required to provide more meaningful outreach, advertising, and information about net metering to the public.

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In closing, I urge the PSC to make changes to its rules (or seek changes to its governing legislation) that will encourage more net metering, not discourage those already doing so or wanting to do so. If you do not believe there are significant barriers to net metering, look at the low participation rate: according to the report prepared in February 2007 by the Division of Public Utilities, Utah had only 30 participants by 2005 (3 commercial, 26 residential). Though there are undoubtedly more net metering participants now, even if they had increased ten-fold the total would still be too low. In a state like Utah, which has hundreds of sunny days, especially in its southern half, the low participation rate reflects a shameful lack of leadership and

advocacy for renewable energy on the part of the PSC. I urge you to take whatever steps are necessary to change that impression and that reality.

I also request a copy of any decisions made by the PSC to change (or not change) the current net metering program since the September 2008 technical conference in Docket No. 07-999-08.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ann Walsh Mitchell".

copy to: Committee on Consumer Services