

Rocky Mountain Power
Exhibit RMP__(RMM-1)
Docket No. 16-035-__
Witness: Robert M. Meredith

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Robert M. Meredith
Costs and Benefits of the Net Metering Program

November 2016

Rocky Mountain Power
State of Utah
12 Months Ended Dec 2015
Costs and Benefits of the Net Metering Program at the
PacifiCorp System Level

	Unit	System
Costs Increased Metering Cost	\$000	\$161
Increased Engineering/Administration	\$000	\$528
Increased Customer Service/Billing Cost	\$000	\$83
Bill Credits	\$000	<u>\$4,237</u>
 Total Cost	 \$000	 <u>\$5,010</u>
 Benefits Lower Net Power Costs	 \$000	 (\$1,168)
Lower Line Losses	\$000	<u>(\$119)</u>
 Total Benefit	 \$000	 <u>(\$1,287)</u>
 Net Cost /(Benefit)	 \$000	 <u><u>\$3,722</u></u>
 Net Metering Energy Production	 MWh	 52,877
 Net Cost /(Benefit)	 \$/MWh	 <u><u>\$70.40</u></u>

Rocky Mountain Power
State of Utah
12 Months Ended Dec 2015
Costs and Benefits of the Net Metering Program at the
State of Utah Jurisdictional Level

	Unit	State
Costs Increased Metering Cost	\$000	\$161
Increased Engineering/Administration	\$000	\$528
Increased Customer Service/Billing Cost	\$000	\$83
Bill Credits	\$000	<u>\$4,237</u>
 Total Cost	 \$000	 <u>\$5,010</u>
 Benefits Lower Net Power Costs	 \$000	 (\$1,168)
Lower Interjurisdictional Allocation	\$000	(\$1,673)
Lower Line Losses	\$000	<u>(\$119)</u>
 Total Benefit	 \$000	 <u>(\$2,960)</u>
 Net Cost /(Benefit)	 \$000	 <u><u>\$2,049</u></u>
 Net Metering Energy Production	 MWh	 52,877
 Net Cost /(Benefit)	 \$/MWh	 <u><u>\$38.76</u></u>

Rocky Mountain Power
 State of Utah
 12 Months Ended Dec 2015
Costs and Benefits of the Net Metering Program at the
 Customer Class Level

	Unit	Residential	Schedule 23	Schedule 6	Schedule 8	Schedule 10	Other Classes	Total
Costs								
Increased Metering Cost	\$000	\$112	\$19	\$17	\$2	\$2	\$8	\$161
Increased Engineering/Administration	\$000	\$369	\$48	\$76	\$17	\$4	\$13	\$528
Increased Customer Service/Billing Cost	\$000	\$72	\$8	\$2	\$0	\$0	\$1	\$83
Bill Credits	\$000	\$2,987	\$429	\$578	\$221	\$22	(\$0)	\$4,237
Total Cost	\$000	\$3,540	\$504	\$673	\$240	\$29	\$22	\$5,009
Benefits								
Lower Net Power Costs	\$000	(\$675)	(\$134)	(\$315)	(\$143)	(\$11)	\$111	(\$1,168)
Lower Class Allocation	\$000	(\$1,137)	(\$257)	(\$303)	(\$237)	(\$10)	\$271	(\$1,673)
Lower Line Losses	\$000	(\$69)	(\$14)	(\$32)	(\$15)	(\$1)	\$11	(\$118)
Total Benefit	\$000	(\$1,881)	(\$405)	(\$650)	(\$395)	(\$21)	\$393	(\$2,959)
Net Cost /(Benefit)	\$000	\$1,659	\$100	\$23	(\$155)	\$7	\$415	\$2,049
Net Metering Energy Production	MWh	28,304	6,012	12,342	5,736	484	N/A	52,877
Net Cost /(Benefit)	\$/MWh	\$58.60	\$16.59	\$1.85	(\$26.96)	\$15.46	N/A	\$38.76
Net Metering Customer Count	#	4,390	327	194	8	13	N/A	4,931
Total Customer Count	#	754,063	84,785	15,598	250	3,354	12,543	870,593
Net Metering Customers as a Proportion of Total	%	0.58%	0.39%	1.24%	3.07%	0.39%	N/A	0.57%

Net Cost /(Benefit) per Net Metering Customer		
\$/Customer/Year	\$377.83	\$305.44
	\$118.25	(\$20,169)
	\$576.66	N/A
		\$415.62

This summary shows that the net cost of the net metering program for the residential class in 2015 was \$1.7 million, or \$58.60 per MWh of net metering energy production. This results in an annual net cost of \$377.83 per residential net metering customer.