

EXHIBIT A

REDACTED

Rocky Mountain Power

Docket No. 14-035-114

Witness: Gary W. Hoogeveen

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

REDACTED

Supplemental Surrebuttal Testimony of Gary W. Hoogeveen

August 2017

1 **Q. How do you respond to intervenors in this proceeding who support an**
 2 **unreasonably long grandfathering period for the current net metering structure**
 3 **(including maintaining the retail rate in place), by claiming that any changes to**
 4 **this structure will create instability, killing the solar industry in Utah?**¹

5 A. I completely disagree. The actual facts in the case disprove such speculation. For
 6 instance, in response to a data request served by the Company on Vivint Solar,
 7 attached as RMP Exhibit ___(GWH-1SR), Vivint Solar indicated that in this market it
 8 sells solar for \$3.20-\$3.80 per kW. In response to another data request served by the
 9 Company on Auric Solar (“Auric”), attached as Highly Confidential RMP Exhibit
 10 ___(GWH-2SR), Auric indicates it sells solar for [REDACTED] per kW. This data shows a
 11 swing of 10 percent within Vivint Solar’s own customer group and [REDACTED] percent,
 12 comparing Vivint Solar’s low range to Auric’s sales price. Obviously there is a large
 13 price range under which two of Utah’s most successful solar sales companies are able
 14 to attract an increasingly large number of customers. This actual data undermines the
 15 Intervenors’ speculation that the market would revolt to even a slight price swing. It
 16 is therefore reasonable to conclude that there is significant room for a reduction to the
 17 compensation (retail rate) that is currently paid for the exported energy.

18 Protestations of the intervention group notwithstanding, the actual data
 19 demonstrates that there is ample room for sellers of private generation to adjust their
 20 sales price to accommodate the change in economics due to the Joint Proposal. If
 21 competitors in the market have price swings from \$3.20 to [REDACTED] per kW in the same
 22 market, that demonstrates the market is *not* so finely attenuated that a slight price

¹ See e.g., D. Black rebuttal testimony, ll. 75-84.

23 fluctuation would have drastic results, as the testimony by various intervenors would
24 suggest.