H.B. 411 Frequently Asked Questions

1. Who will be affected by this program if Millcreek decides to participate?
   a. All Rocky Mountain Customers with Millcreek’s city limits who do not opt out of participation. Rocky Mountain Power customers who have solar panels and are on Rocky Mountain Power’s Schedule 135 (those who signed an interconnection agreement before November 15, 2017) are not eligible to participate.

2. What qualifies as Renewable Energy under H.B. 411?
   a. Solar, wind, geothermal, hydroelectric, energy efficiency, and certain sustainable technologies (including storage).

3. What is the process? Especially with the Public Service Commission?
   a. City adopts a resolution by December 31, 2019 that commits to attain a net100% renewable electricity goal by 2030
   b. Public Service Commission adopts Administrative Rules (process is currently underway)
   c. Cities who have adopted resolutions collectively enter into an agreement with Rocky Mountain Power
   d. Cities apply through Rocky Mountain Power to Public Service Commission for approval of the program and a plan to solicit the renewable resources. All cities that have passed a resolution and joined the application to the PSC will be responsible for the costs of the regulatory review and consulting fees, even if a city decides not to participate in the final program.
   e. Public Service Commission approves application
   f. Within 90 days of Public Service Commission approval, each City adopts an ordinance to formally establish participation in the renewable energy program
   g. Noticing period occurs for all eligible participants within city boundaries
      i. Customers will receive two notices within a 60-day period (separate from their electric bills) containing information on the program, estimated costs, and information on how to opt out.
      ii. After the 60-day period is complete, if a customer does not take action to opt out, they become a participant of the program and will begin to be billed at program rates.
      iii. Customer has three billing cycles under the new program rates to opt out without having to pay an exit fee.

4. What is the procedure to opt out? Opt-in?
   a. Customers/residents will receive instructions in their notices on how to opt-out. If a customer does not opt out within 60 days, they will be automatically enrolled in the program.
   b. If a customer opts out, they may be able to opt back in to the program.

5. What fees will be associated with the program?
   a. A participating customer will pay the program rates, which have yet to be determined. Program rates may include the costs associated with:
      i. Enhanced-energy efficiency program or renewable energy resource(s) that are built to meet the program goal of net-100% renewable by 2030.
      ii. Costs associated with replaced assets (which will be defined later in the process but may include coal plants).
iii. Cost of noticing requirements (after the initial noticing 60 days before the program begins)

iv. Administration costs

6. Will customers have the ability to opt out once they have opted in?
   a. If a participating customer decides to leave the program after both the 60 day opt out and three billing cycles, they will pay an exit fee to leave the program. Once they leave and pay the exit fee, they will return to standard rates.

7. Will new homeowners who move in to our city have an option to opt out?
   a. New residents/customers will be automatically be enrolled in the program, but they will have a 60-day opportunity to opt-out with no exit fees. See response to question no. 4 above.

8. What is net metering?
   a. Net metering is used on homes where solar panels are installed. This special meter measures the amount of electricity used in the home along with the amount of electricity produced by the solar panels. If you produce more energy than you consume, you receive credit on your bill. Customers with solar panels on their home that received an interconnection agreement before November 15, 2017 are on Rocky Mountain Power’s Schedule 135, which is net metering. Customers with solar panels who received an interconnection agreement on or after November 15, 2017 are on Schedule 136, which is similar to net metering. Information about your rate schedule is available on your monthly utility bill.

9. Where does Rocky Mountain Power plan to use the revenue they receive for this program? Will RMP invest in renewables?
   a. The revenue from program participants will be separately tracked by Rocky Mountain Power and used to pay for the renewable resource and other program costs (see list above). Rocky Mountain Power will make annual filings to the Public Service Commission to present this information for review by regulating agencies.

10. What is the timeline?
    a. If the city moves ahead with plans to adopt this program, the passage of a city resolution is required by December 31, 2019. The Public Service Commission is expected to approve rules for the program by the end of 2019 or in early 2020. The cities and Rocky Mountain Power can choose when they would like to file an application to initiate the program, likely in 2020. The exact timeline for additional steps in this process, including when Rocky Mountain Power will begin procuring renewable energy for the cities, is not defined.

11. What percentage of electricity customers in our city are subscribers in a current Rocky Mountain Power program such as Blue Sky, Net Metering, or Subscriber Solar?
    a. Currently about 3%

12. What other cities or counties are in this process?
a. Park City, Salt Lake City, Summit County, Moab, Holladay, and Cottonwood Heights. There are also a few other communities in discussions with Rocky Mountain Power about this program.

13. Differences between Blue Sky Program and House Bill 411?
   a. Blue Sky is an optional program where customers can purchase 100-kWh blocks of renewable energy for $1.95 per block per month to offset their usage. The customer can cancel at any time with no charge. The funds are used to purchase renewable energy credits (RECs), which are certificates that correspond to the environmental attributes of energy produced from renewable resources. These can be purchased as “bundled” – meaning the actual energy output is purchased with the REC, or “unbundled” – meaning just the REC can be purchased without the energy. Blue Sky RECs are unbundled, and do not include the purchase of electricity. Excess funds from the program also are used to provide grants to local nonprofits for installation of solar panels. H.B. 411 is different because an actual, utility-scale resource will be built to achieve the net-100% renewable goal of the program.

14. Have any other cities adopted a resolution according to H.B. 411?
   a. Yes, Holladay. The other cities mentioned above adopted their resolutions before H.B.411.

15. What happens if Millcreek doesn’t adopt a resolution?
   a. Millcreek will not be eligible to participate in the community renewable program. However, Millcreek is concerned about the environment and the adoption of this resolution would show a good faith effort toward sustainability and preserve Millcreek’s ability to participate in the program if it chooses to do so. Additionally, Millcreek may choose not to participate due to other reasons, such as not agreeing with the bill as written or how it is implemented.

16. How much will the regulatory review and consulting fees cost?
   a. Millcreek will work with Rocky Mountain Power, the regulating agencies, and the other participating communities to identify reasonable costs for these fees that all participating communities will collectively be responsible for.

17. Has the Public Service Commission adopted the Administrative Rules?
   a. No, the rules are being developed currently and will likely be approved by the end of 2019, or the beginning of 2020.

18. Does Rocky Mountain Power have enough renewable energy sources to supply the net-100% renewable goal of the program? If not, is Rocky Mountain Power building enough renewable energy sources to supply all who want to be net-100% renewable by 2030?
   a. Currently, it is unknown whether H.B. 411 will meet net-100% renewable goal by 2030.

   To meet the net-100% renewable goal of the program, Rocky Mountain Power and the participating communities will issue a request-for-proposals to solicit competitive bids from renewable energy developers. Rocky Mountain Power will purchase and
interconnect to their system the output of the renewable resource(s) built on behalf of the participating customers. Rocky Mountain Power is participating in the H.B.411 process and will add renewable resource(s) to their portfolio according to the energy needs of those who will choose to participate in this program. If Rocky Mountain Power is unable to supply 100% of its customers renewable energy needs, RMP will be able to purchase RECs (Renewable Energy Credits). These credits are purchased from other providers of renewable energy across the country.

19. Can a resident get renewable energy through any other means?
   a. You can install solar panels on your home

20. How does Rocky Mountain Power’s Subscriber Solar program work?
   a. Those who can participate in this program are buying renewable energy from a specific resource that was built to serve the participants. The Subscriber Solar program is currently fully subscribed.

21. What tax incentives do I have for installing solar panels on my house?
   a. There are state and Federal tax credits for installing solar on your home. The Federal tax credit is 30% of the cost of the solar panels through 2019 and then steps down each year until it expires at the end of 2021. The State tax credit is $1,600 until 2021 when it begins to step down and expires at the end of 2023. Private contractors/installers of solar panels can provide additional information on this question

22. If Millcreek adopts this resolution, will my power bill increase?
   a. It is likely, but not certain, that power bills will increase for customers who stay in the program. H.B. 411 requires that program costs be isolated to participating customers (and not shared with non-participating customers), so program customers will have to pay for potential upgrades to the electricity grid to accommodate new renewable energy resources. However, new renewable energy resources tend to be the least expensive energy available, which may result in cost savings over time. Estimated customer rates for the program will be included in the application filed before the Public Service Commission, and participating communities may choose to leave the program at that point by choosing not to pass an ordinance.

23. Is H.B. 411 the only option residents have for renewable energy?
   a. As mentioned above, you may be able to participate in other Rocky Mountain Power programs, or install solar panels on your home

24. How does the city’s decision affect me if I already have solar panels?
   a. If you have solar panels and are on Rocky Mountain Power’s Schedule 135 (if you received an interconnection agreement before November 15, 2017), you are exempt from the H.B.411 program. If you have solar panels and are on Rocky Mountain Power’s Schedule 136 (if you received an interconnection agreement on or after November 2017), you are eligible to participate. Your power bill has information about your rate schedule.

25. What does net-100% renewable energy mean?
a. Net-100% means that over the course of a year, enough renewable energy is produced to supply all the energy consumers’ needs. Therefore, since solar energy is produced during the daylight hours and wind energy is produced only when there is wind, RMP will always have a need to supplement their energy production, especially at night or through the winter, with current power generating resource that are not considered renewable such as coal fired plants, hydro plants, etc. This means that the new renewable energy generation resources will be integrated into the broader regional electric grid and power provided to the Millcreek community will not always be directly related to renewable projects. The goal is to catalyze construction of enough new renewable energy resources to meet all net annual community electricity needs on a yearly basis. At some point in the future, when storage capacities such as batteries or other means are more feasible, the ability to produce, store, and supply 100% renewable energy will be realized.

26. What will this mean for our air quality?
   a. This program alone will not mitigate our poor air quality issues.

Helpful Links:
PacifiCorp (parent company of Rocky Mountain Power) Newsroom

House Bill 411
https://le.utah.gov/~2019/bills/static/HB0411.html

Public Service Commission rulemaking process for Community Renewable Energy Act
https://psc.utah.gov/2019/04/03/docket-no-19-r314-01/

Community Renewable Energy Act from Utah Clean Energy