

**BEFORE THE STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Petition of Green Mountain :
Power Corporation for approval of a : **Case No. 18-1633-PET**
multi-year regulation plan pursuant :
to 30 V.S.A § 209, 218, and 218d :

MOTION TO INTERVENE OF SUNRUN INC.

Pursuant to Vermont Public Utility Commission (“Commission”) Rule 2.209(A), Sunrun Inc. (“Sunrun”) respectfully submits this Motion to Intervene (“Motion”) requesting intervention as of right in the above-captioned proceeding. Alternatively, pursuant to Commission Rule 2.209(B), Sunrun requests permissive intervention in this proceeding.

MEMORANDUM IN SUPPORT OF INTERVENTION OF SUNRUN

I. Background

In this proceeding the Commission will consider and determine whether to approve the Petition for Approval of A Multi-Year Regulation Plan submitted by Green Mountain Power (“GMP”) regarding GMP’s rates and service for the period from October 1, 2019 through September 30, 2022. GMP seeks approval of the Multi-Year Regulation Plan (“Plan”) to “better align rate setting with customer and GMP goals of low cost, highly reliable electricity service that is more local, renewable, and innovative” due to “significant shifts in the energy landscape that have altered the assumptions underlying traditional utility regulation.”¹ Sunrun applauds GMP’s leadership in seeking

¹ Green Mountain Power’s Petition for Approval of a Multi-Year Regulation Plan at 1 (June 4, 2018) [hereinafter “GMP Petition”].

innovative solutions to grid needs and seeking to provide greater customer value by examining how to deliver safe and reliable electric service at lower costs.

Sunrun is the leading residential solar, storage, and distributed energy services company in the United States with over 190,000 customers in 23 states, including Vermont, and the District of Columbia and Puerto Rico. Sunrun is committed to ensuring that all customers have a viable choice in how they procure and consume electricity. We pioneered the “solar-as-a-service” model more than ten years ago and today we are the largest dedicated residential solar, storage, and distributed energy services company in the country. Sunrun is directly involved in Vermont’s solar industry and clean energy future. Our business creates local employment opportunities through solar and solar paired with battery storage installations and we continually seek opportunities to advance clean energy goals and deliver innovative solutions to customer and grid needs.

Sunrun respectfully submits that, as demonstrated herein, it meets the standard for intervention of right pursuant to Rule 2.209(A) of the Commission’s Rules of Practice. If the Commission determines that Sunrun has not demonstrated intervention as a matter of right, Sunrun respectfully submits that it meets the standard for permissive intervention pursuant to Rule 2.209(B) of the Commission’s Rules of Practice.

II. Legal Standard

Rule 2.209(A) of the Commission’s Rules of Practice provides that a person has a right to intervene if the person demonstrates a substantial interest that may be adversely affected by the outcome of a proceeding, the proceeding affords the exclusive means for the person to protect its interest, and the person’s interest is not adequately represented by

existing parties. Rule 2.209(B) provides that, in the Commission's discretion, a person may be permitted to intervene if the person demonstrates a substantial interest that may be affected by the outcome of the proceeding. When considering a motion to intervene pursuant to Rule 2.209(B), the Commission must consider whether the person's interest will be adequately protected by other parties, whether alternative means exist by which the applicant's interests can be protected, and whether intervention will unduly delay the proceeding or prejudice the interests of existing parties or the public.

II. Discussion

i. Sunrun Has Substantial Interests that May Be Adversely Affected by the Outcome of the Proceeding.

The Commission's determinations in this proceeding will directly and substantially impact Sunrun's interests and depending on the outcome, could adversely affect those interests. GMP's Plan seeks approval of various programs and incentives for innovation and improved performance in areas that advance state energy policy that specifically focus on issues related to DERs. A key element of GMP's Plan is to "encourage the evolution and transformation of our Vermont energy system into one that is highly distributed and based increasingly on home-, business-, and community-based energy solutions, while focusing on the fact that this evolution will also make grid management more complex, requiring appropriate investment and management."²

For instance, to comply with the requirements of Section 218d(a)(4), GMP proposes to increase reliance on Vermont-based renewable energy and decrease the extent to which its financial success is linked to electricity sales to end use customers

² Testimony of Mary Powell at 5.

through, among other things, Innovative Pilot programs, a capital spending plan to support these innovations, and revenue decoupling mechanisms.³ To track GMP's performance, GMP proposes certain metrics and associated Performance Incentive Mechanisms ("PIMs"), through which GMP would have additional revenue earning opportunities.⁴ As proposed, the PIMs would, among other things, create incentives for GMP to (1) meet customer service metrics, including service quality and reliability standards, and (2) institute forward-looking performance elements that demonstrate innovation and proactive transformation of utility operations and services for customers, such as among others, success in customer adoption of technologies that reduces operational costs and work toward facilitating continued innovation and new service offerings.⁵ Incentive payment and penalty structures would be based on GMP meeting certain metrics developed for evaluating performance.⁶

GMP proposes various forward-looking performance incentives based on metrics directly related to the deployment of DERs. These include the total aggregate capacity of DER connected on GMP's system; the number of third party installed DER resources per year; the percent of load that can be safely and reliably islanded; and the percentage of time GMP accurately forecasts peak events and dispatches peak management resources.⁷

Sunrun supports performance based regulation mechanisms and believes that well designed metrics and incentive provisions offer important revenue earning opportunities

³ See, e.g., Testimony of Edmund Ryan at 29

⁴ Testimony of Brian Otley at 3.

⁵ *Id.* at 27-30.

⁶ *Id.* at 31.

⁷ Testimony of Edmund Ryan, Ex. 1 at 24.

that can help align utility planning and expenditures with state energy policy goals. It is critical that the metrics, goals, and incentive/penalty mechanisms are developed to deliver DER and customers service benefits that go beyond a “business as usual” case.

Incorporating these utility ratemaking principles can foster electric service innovation and facilitate greater integration of customer sited energy resources to provide grid solutions by providing the utility the necessary financial incentives to adapt to the significant shifts in the energy landscape that have altered the assumptions underlying traditional utility regulation.⁸ Allowing utilities to decouple revenues from electricity sales and earn revenue for providing other services encourages innovation, facilitates the integration of DER and customer-based grid solutions, and enhances the customer experience. Ensuring that GMP has the appropriate incentives and revenue earning potential to integrate technological advances and leverage the expertise and financing solutions that DER providers offer is fundamental to the successful implementation of GMP’s Plan and advancing state energy goals and reducing carbon emissions.

GMP also seeks approval to continue GMP’s Innovative Pilot Programs to deliver customer-facing transformative energy projects that decrease fossil-fuel consumption and GHG emissions.⁹ Sunrun supports the continued development of GMPs Innovative Pilot Programs, including GMP’s bring-your own device (“BYOD”) program through which GMP seeks to integrate customer owned or located energy storage systems by

⁸ GMP Petition at 1.

⁹ Testimony of Brian Otley at 32.

aggregating those devices for use during peak demand events and other grid coordination activities.¹⁰

Sunrun's customers participate in the state's net metering program throughout GMP's service territory and Sunrun is advancing opportunities to provide innovative services through programs GMP has initiated and/or is seeking approval for in this proceeding, including the BYOD program. We have substantial interests in ensuring that solar and battery storage technologies are deployed efficiently and economically, that solar and battery storage market participants are allowed to compete on a fair playing field, and that utility rate design is fair, clear, and transparent so as not to discriminate against any particular class of customers or customers who install solar and/or battery storage.

GMP's forward thinking Innovative Pilot programs present unique opportunities to gain valuable information and experience integrating DERs and working with third party providers to deliver grid solutions and other consumer benefits. It is critical, however, that these pilot programs are designed to provide the information needed to implement solutions at scale throughout GMP's service territory.

Sunrun highlights GMP's proposed PIMs and Innovative Pilot Programs as elements of GMP's Plan for developing more efficient methods of regulation to promote the public good and, among other things, incentivizing least cost service, delivering safe and reliable service, promoting improved service quality, encouraging innovation, and

¹⁰ *Id.* at 42.

ensuring that GMP's Plan results in just and reasonable rates.¹¹ As a leading solar and energy storage provider, the Commission's disposition of GMP's Plan substantially impacts Sunrun's interests and could adversely affect them.

ii. This Proceeding Affords the Exclusive Means for Sunrun to Protect Its Interests.

GMP's Plan offers numerous proposals for innovative solutions to grid needs and enhancing customer value by delivering safe and reliable electric service at lower costs. A fundamental element of achieving these solutions is increasing the deployment of DERs throughout GMP's territory.¹² Successful implementation of critical elements of GMP's Plan relies on third party DER providers' ability to successfully operate in GMP's service territory. The approvals GMP seeks in this proceeding require careful consideration by the Commission to ensure that the components of the GMP's Plan are developed to capture the capabilities and value that DERs can provide to the GMP grid while at the same time ensuring that DER providers have the access to information and GMP's distribution platform to successfully scale operations and deliver customer benefits and grid services necessary to achieve Vermont's energy goals. No other proceeding addresses the approvals GMP seeks in this proceeding and therefore this proceeding affords the exclusive means for Sunrun to protect its interests.

iii. Sunrun's Interests Are Not Adequately Represented by Existing Parties.

No other party represents or can represent Sunrun's interests in this proceeding. Sunrun's interests are specific to its business model and operations in GMP's service

¹¹ Testimony of Brian Otley at 15.

¹² Testimony of Mary Powell at 5.

territory. Representing Sunrun's interests in this proceeding requires intimate knowledge of Sunrun's unique business model, the national experience and expertise that Sunrun possesses, and the insights and recommendations that Sunrun can provide the Commission in this proceeding. While other organizations with interests related to solar and other DERs may become parties to this proceeding, the expertise that Sunrun brings to the proceeding, and Sunrun's private interests, are such that no other party is able to represent Sunrun's interests.

iv. Sunrun's Intervention Will Not Unduly Delay the Proceeding or Prejudice the Interests of Existing Parties or the Public.

Sunrun's intervention will not impair the interests of justice or the orderly and prompt functioning of this proceeding. Sunrun's participation in this proceeding will be limited to the scope of issues and timelines the Commission establishes, and will not unduly delay of this proceeding. Sunrun's Motion is timely and will not prejudice the interest of existing parties or the public. Sunrun's participation in this proceeding will further the interests of justice and add valuable contributions to the record.

III. Conclusion

For the foregoing reasons, Sunrun respectfully requests the Commission grant Sunrun's Motion.

Respectfully submitted,

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