

Puget Sound Energy P.O. Box 97034 Bellevue, WA 98009-9734 PSE com

May 1, 2017

Via Web Portal

Steven V. King, Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250 1300 S. Evergreen Park Drive S.W. Olympia, Washington 98504-7250

Re: **Docket UE-131883**

Distributed Generation Annual Report - Revised

Dear Mr. King:

Attached is Puget Sound Energy's ("PSE's" or "the Company's") revised State Tax Incentive Annual Report and Net Metering Report six-month Update. This revised report incorporates formatting changes to the original report suggested by Washington Utilities and Transportation Commission ("Commission") staff to improve clarity and understanding. The original report was filed on February 1, 2017 pursuant to the Commission's letter dated May 20, 2016 in the above-referenced docket. Examples of changes suggested by Commission staff and incorporated into this revised report include reporting nameplate capacity and average system size in alternating current ("AC") instead of direct current ("DC"), and describing the dollar amount of incentive requests received by PSE compared to the statutory limitation of credit available to the Company under RCW 82.16.130(1).

PSE will incorporate these changes into future reports. Please contact Nate Hill at (425) 457-5524 (nate.hill@pse.com), or Heather Mulligan at (425) 456-2916 (heather.mulligan@pse.com) for additional information about this filing. If you have any other questions, please contact me at (425) 456-2110.

> Matt- Hall, manager Regulatory Initiatives Sincerely,

Ken Johnson

for

Director, State Regulatory Affairs

cc:

Lisa Gafken, Public Counsel

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Attachment: Revised State Tax Incentive Annual Report and Net Metering Report



Washington Utilities and Transportation Commission Annual Report of Investment Cost Recovery Incentive (RCW 82.16.110-130)

The first report, due by August 1, 2016, will contain information on incentives paid for the July 1, 2014 to June 30, 2015 fiscal year. The second report, due February 1, 2017, will contain information on incentives paid for the July 1, 2015 to June 30, 2016 fiscal year.

Annual reports are due February 1 each year for the remainder of the program.

Please use the following file naming convention: DGtaxincentive_companyname_reportyear.xls.

Please file the document in docket UE-131883.

Utility Name:		Pu	-				
Fiscal	Year Ending June 30,			paid an incentive		4316	
		System Informa Number of systems that earned an incentive		Total nameplate capacity of systems (kW AC*)		Average system size (kW AC*)	
Technology	Classification/ Size of System	Total Systems	New Systems	Total Systems	New Systems	Total Systems	New Systems
Solar PV	Non-community solar ≤ 10 kW	4118	1358	20872	7945		6
Solar PV	Non-community solar > 10 kW	266	95	4007	1567	16	16
Solar PV	Community Solar	19	2	564	121	30	60
Wind		41	0	115	0	3	n/a
Anaerobic digester		1	0	510	0	510	n/a
	Totals	4445	1455	26067	9633	144	20 1147
* Calculated	as 85% of recorded DC r	nameplate ca		<u>-</u>	REGIS meth	odology	
	AV	anable C	i cuits (III	domais			

Total credit available to the company under RCW 82.16.130(1) Total credit paid to customers Remaining credit available to company	\$10,055,597 \$9,767,136 \$288,461
Total credit earned by "company-owned community" solar systems	\$496,845
Remaining credit available to those systems	\$5,934
Total credit earned by "utility-owned community" solar systems	\$0
Remaining credit available to those systems	\$2,513,899



Washington Utilities and Transportation Commission Annual Report of Investment Cost Recovery Incentive (RCW 82.16.110-130)

Puget Sound Energy

If requests for the credit exceeded the amount of credit available under RCW 82.16.130, how has the utility responded to this situation?
PSE received requests from customers for \$10,398,765 worth of credit payments, but RCW 82.16.130(1) limits PSE's available credit to \$10,055,597. Given that requests exceeded credit available by \$343,168, PSE took the following action per its UTC-approved Schedule 151 (RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT
PROGRAM): Should the number, output or type of Customer-Generators eligible under this Program result in exceeding the limit of the total Incentive Payment funds available, the payment Base Rate will be reduced by one cent (\$.01) for all Incentive Payments. The Base Rate will continue to be reduced in this manner until it is possible to pay
an Incentive Payment to all Customer-Generators and Administrators without exceeding the amount of Incentive
Payment funds available. Total incentive payments in 2016 include a \$.04 reduction to base rate for Company-owned
Community Solar projects and \$.01 reduction to base rate for all other participating customers.

If requests exceeded the amount of credit available, please include the rate provided in the fiscal year under RCW 82.16.120 for:

Customer-generated Power	Rate per kWh	Community Solar Rate per kWh
Solar modules and inverter both manufactured in Washington state	0.504	1.044/.936*
Solar modules manufactured in Washington state	0.336	0.696
Solar or wind generating equipment with an inverter manufactured in Washington state	0.168	n/a
Any other solar system	0.140	n/a
Wind turbine with blades manufactured in Washington state	n/a	m/as etc.
Any other wind turbine	0.112	n/a
Anaerobic digester	0.140	n/a link

*PSE owned Community Solar

Additional Filing Requirements:

Utility Name:

- 1 Provide any communication sent to all participants or applicants regarding the administration of the incentive program for the last fiscal year, or current fiscal year.
- 2 Net Metering Report Update (see second tab of this workbook)