


# WREA Annual Meeting

September 22, 2015



**Oklahoma Association  
of Electric Cooperatives**

Your Touchstone Energy® Partners 

# Outline

Residential solar activity in Oklahoma today

Getting rates ready ahead of roof top solar

Infrastructure Recovery Act - 2014

Governor Executive Order

Oklahoma Co-ops and Solar

# Oklahoma Electric Providers

28 Distribution Cooperatives & 3 G&Ts

Serve in all 77 Counties

3 Rate Regulated by OCC

25 Self Regulated – opt out provision

3 Investor Owned Utilities

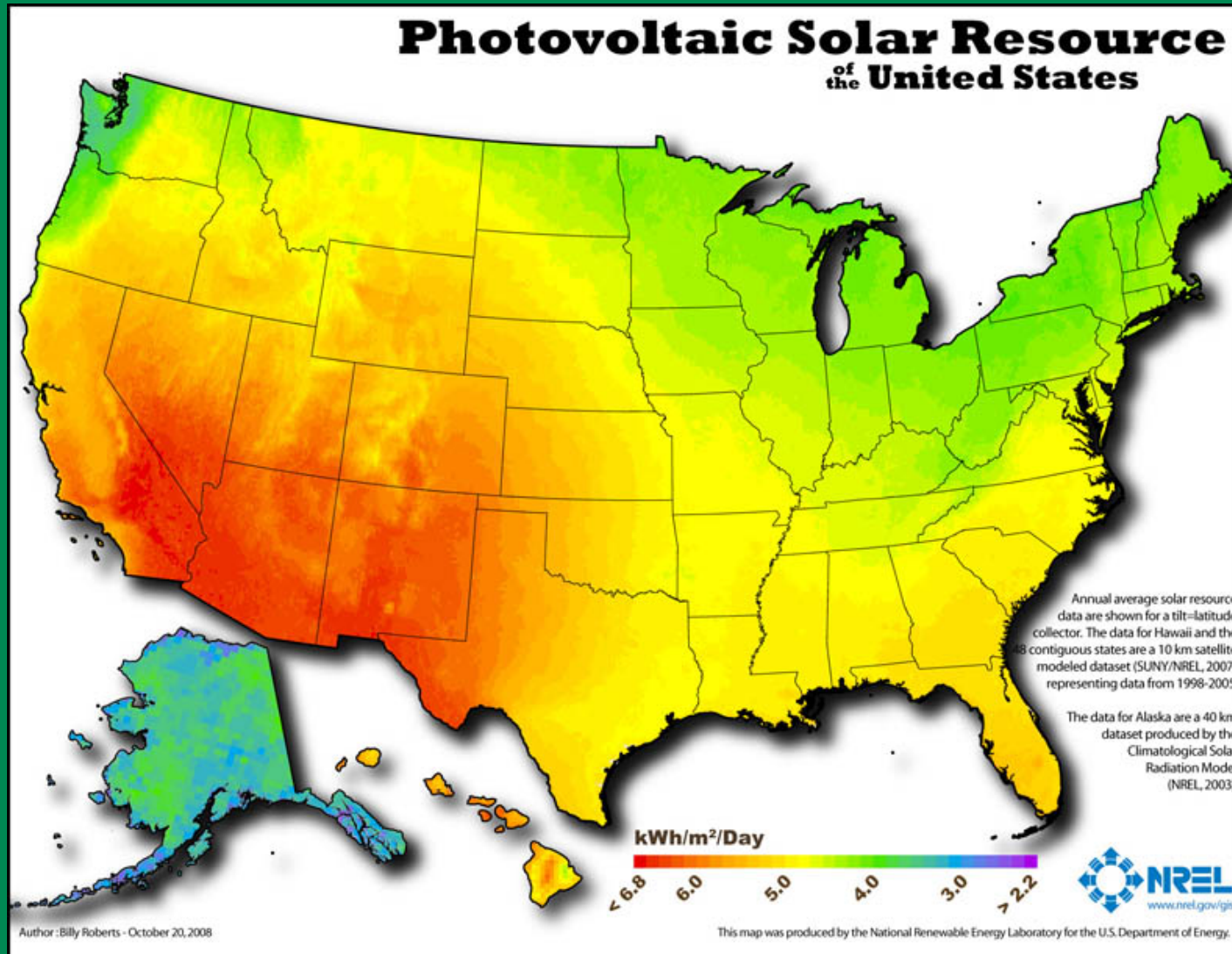
63 Municipal Systems

# Rooftop Solar in Oklahoma

Rooftop solar installations have been minimal to date.

1. Marginal sun resource
2. Low retail rates
3. No state net-metering laws
4. No State Renewable Portfolio Standard

# Where is the best solar?



# Retail Electric Rates

Rank	State	Average Retail Price (Cents/kWh)
1	Louisiana	6.90
4	Wyoming	7.19
6	Oklahoma	7.54
22	Minnesota	8.86
33	Arizona	9.81
36	Florida	10.40
50	Hawaii	34.00

Source: US Energy Information Administration – 2013 Data

# Preparing for DG

Recognized what was happening in Arizona

Solar industry was winning at ACC

Regulatory route is hard

Members/Consumers – keep it simple

Solar industry – rates that favor DG

Utilities – meet revenue requirements

Regulators – end up stuck in the middle

Conclusion: Go the Legislative route

# Infrastructure Recovery Act

- SB 1456 – Sen. Griffin & Rep. Turner
- Amendment to Title 17 dealing with utilities
  - Defined DG
  - Prohibits subsidization within a rate class for those with DG by those without DG
  - Regulated utilities to implement rates no later than Dec 31, 2015



# Infrastructure Recovery Act

Passed Senate 41-0 without a question

Passed House 83-5

Goes to Governor's desk for signature

- Governor pressured to veto
- IOUs and Co-ops call Governor's office
- Signs bill but.....

# Governor's Executive Order

Directed Oklahoma Corporation Commission to

- Consider rate alternatives to a “solar fee”.
- Be consistent with state energy plan which includes renewables.
- Protect consumers but encourage all forms of energy.

The fight will now be at the Commission

# Referendum petition filed

May 29, 2014 – Sec of State receives a request for Referendum petition

- Failed to meet the filing requirements – missed deadline.
- 51,000 signatures would have been required to put it on the ballot.

# Current status

OG&E is first to file DG rates with OCC

- File demand and energy tariffs.
  - Customer charge
  - Seasonal Demand rates
  - Time of Use energy rate

OCC has not set a hearing date

OK Co-ops favor this rate approach

# Electric Co-ops and Solar

## Western Farmers Electric Cooperative – G&T

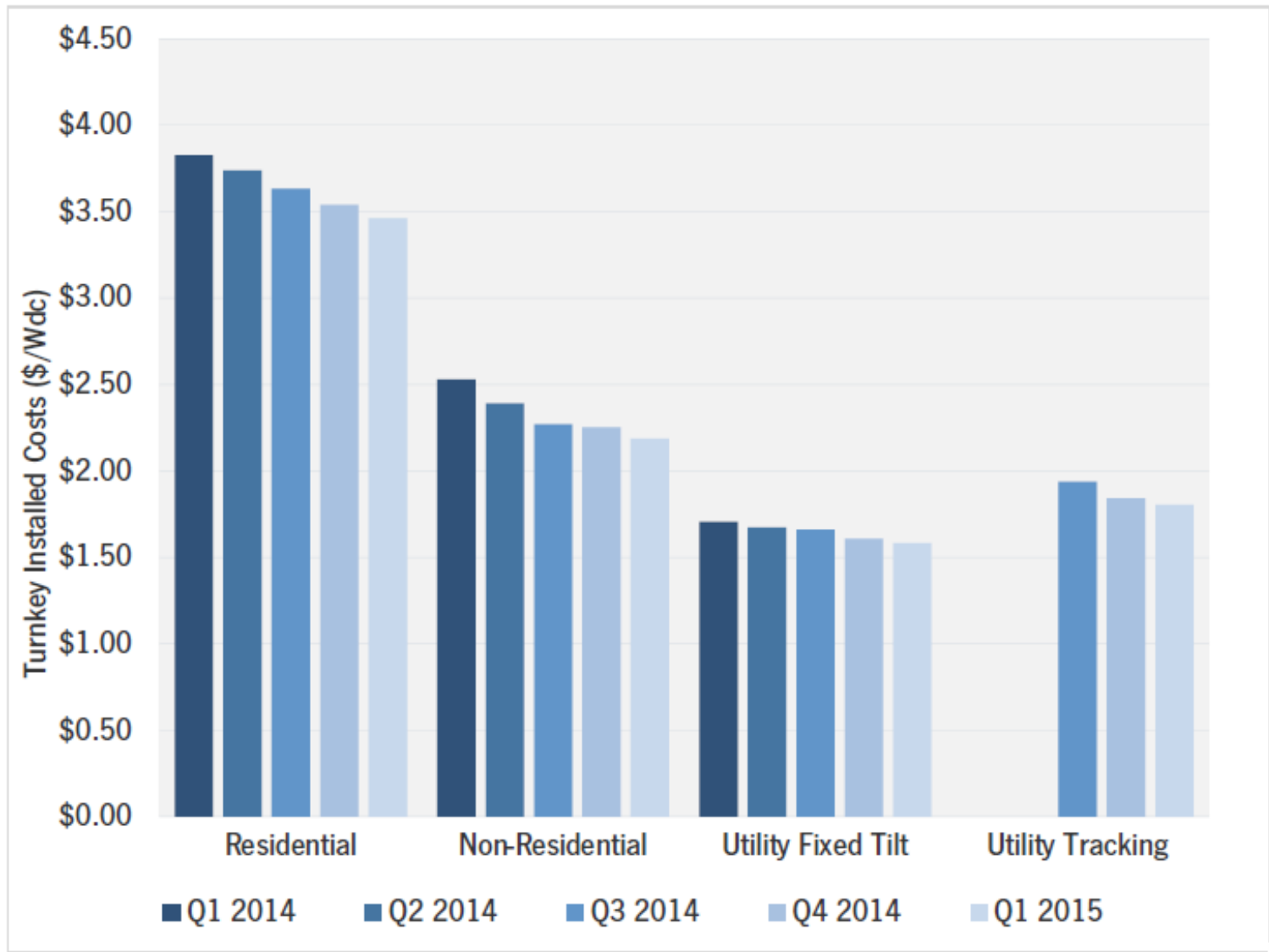
- Utility scale solar – 18 MW in NM
- Community Solar – 3.5 MW in 14 locations

## Tri-County Electric Cooperative, Hooker, OK

- 1 MW community solar at HQ office



# Solar Generation Prices



Source: GTM U.S Solar Market Insight Report: Executive Summary: Q1 2015

# Economies of Scale – Levelized Cost of Electricity

Utility/Community scale solar is cheaper than Residential

5-10 kW Residential:

- **12 to 20 cents/kWh**

1 MW+ Utility-Owned:

- **6 to 10 cents/kWh**

— Many PPAs now under 5 cents/kWh including incentives













