

# Brown Sky

THE TRUTH ABOUT HOW  
ROCKY MOUNTAIN  
POWER SPURNS  
RENEWABLE ENERGY



**HEAL** UTAH POWERING ACTION  
TO PROTECT UTAH



# EXECUTIVE SUMMARY

Rocky Mountain Power, Utah's largest utility, presents a public face which reassures its customers that the company is a strong proponent of renewable energy. It frequently touts its very popular Blue Sky program. Images of wind power adorn the utility's literature.

However, the reality is that Rocky Mountain Power is heavily dependent on polluting fossil fuels, mostly coal, for about 85 percent of its power – a much higher proportion than most other utilities.

This report will show that Rocky Mountain Power's public claims that it is embracing clean, green energy doesn't stand up to scrutiny. It takes a close look at Blue Sky, a nice program funded by donations from ratepayers, which offers subsidies to existing or micro-scale renewable projects. But even though tens of thousands of ratepayers pay into Blue Sky, the program in no way changes the power that Rocky Mountain Power actually sells its customers – a fact that the utility isn't very up front about.

Secondly, as this report details: Rocky Mountain Power's attorneys and executives quietly but relentlessly work very hard to actively thwart renewable energy entrepreneurs and the families and companies who want to buy renewable power. Those policy actions have largely been hidden from the public, in arcane regulatory processes.

For example, the report shows how Rocky Mountain Power has fought to make it more expensive for corporations like eBay and Wal-Mart to directly buy renewable energy. It also demonstrates how the company is fighting to lower the price it pays renewable energy entrepreneurs – and how its lobbyists are in Washington trying to weaken the one federal law that has led to Utahns getting at least some wind and solar power via the grid.

Please keep reading “Brown Sky” for a fuller picture on how Utah's biggest utility is blocking clean energy progress.





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## INTRODUCTION

Do a Google image search for utility logos and the similarities will strike you right away: Lots of yellow and blue and green. Lots of sun, water, wind and trees.

The companies that make, distribute and sell electricity in America have worked very hard to make sure their customers associate their products with clean, natural things.

It's smart marketing, but it obscures a darker reality: The U.S. electricity system remains heavily dependent on coal and natural gas. Nationally, more than two-thirds of our electricity comes from fossil fuels.<sup>1</sup> That brings us an array of health and environmental costs, from the destruction caused by extracting those resources, to the health toll of breathing dirty air spewed by coal smokestacks, to the clouding of our scenic vistas to, of course, the effects of a warming planet.

Here in Utah, where we are blessed with abundant land, wind and solar resources, the sad truth is that our utility is even more dependent on polluting fossil fuels than the typical American one. Rocky Mountain Power works hard, however, to keep that from us.

Our utility touts its wildly popular Blue Sky program, even though that modest effort does almost nothing to actually sell its customers renewable energy. Behind its green veneer is a flurry of other activity that the utility doesn't talk about nearly as much.

The company doesn't trumpet all the work that its attorneys and executives do to shun renewable energy, in arcane regulatory processes largely invisible to the public. The advocates, attorneys and renewable energy entrepreneurs who pay close

Rocky Mountain Power actively works to keep renewable energy from its customers.

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<sup>1</sup> <http://www.eia.gov/tools/faqs/faq.cfm?id=427&t=3>

attention to Rocky Mountain Power and its policymaking apparatus have learned the utility has never met a renewable energy program it couldn't fight.

Rocky Mountain Power has fought to make it more expensive for corporations like eBay and Wal-Mart to directly buy renewable energy. The utility has tried to lower the price it pays renewable energy entrepreneurs – and its lobbyists work diligently in Washington to weaken the one federal law that opens up electricity in markets to competition.

The full story of what Rocky Mountain Power really thinks about renewables hasn't seen the light of day ... Until now.

In this paper, we will start by illustrating how little clean energy Rocky Mountain Power sells. We will then describe the limitations of the popular Blue Sky program and finally outline how the utility actively works to keep renewable energy from its customers.

Unfortunately for Utahns who desire to invest their electricity dollars into sources that don't pollute or warm our planet, our monopoly utility refuses to sell us what we want to buy. Instead, Rocky Mountain Power excels at casting a blue and green veneer over an energy portfolio that remains excessively reliant on fossil fuels to power our homes.

**It's a company that is good at seeming green – without being so.**

## **A WEAK RECORD ON RENEWABLES**

Despite a logo featuring wind towers, the awards its Blue Sky Program receives, and the many ways the utility repeatedly touts its alleged commitment to renewable energy, Rocky Mountain Power simply does not sell much renewably generated electricity to Utahns. It's a company that is good at seeming green – without being so.



Source: National Renewable Energy Laboratory, 2011  
<http://bit.ly/15MpUic>

**Figure 1: Utah ranks last among all Western States for renewable energy capacity per capita.**

According to the company’s own data<sup>2</sup>, the mix of electricity that Rocky Mountain Power sells its customers today is 61 percent coal, 14 percent natural gas, 9 percent renewable (mostly wind with a tiny bit of solar and geothermal), 6 percent hydro and 10 percent other (nearly all natural gas power it buys during peak demand times).

That means that about 85 percent of our electricity mix comes from fossil fuels – much higher than the national average.

And, if you read the fine print on Rocky Mountain Power’s website<sup>3</sup>, it turns out that its paltry estimate of 9 percent renewables in the power it sells us may actually be exaggerated.

The company admits in the small print that “All or some of the renewable energy...may be... sold to third parties...or not acquired.” Um, what?

Later, the company gets more specific and notes “approximately 31 percent of the renewable energy attributes associated with 2014 generation was sold to third parties or not acquired.”

So, it turns out, that 9 percent renewable is more like 6 percent.

Another way to crunch our electricity mix is even more unfavorable to Rocky Mountain Power. If you look at power made here in Utah – which includes not just our main utility’s facilities, but some others’ as well – Utah has the *worst* record in the West. Just 3.8 percent of the power made in Utah comes from wind, solar and geothermal, according to federal data.<sup>4</sup> That’s way behind Idaho, Colorado, Wyoming, Nevada and New Mexico. In the states that border Utah, 11 to 23 percent of the generated electricity comes from renewables.

<sup>2</sup> See <https://www.rockymountainpower.net/env/bsre/po/bspr.html>

<sup>3</sup> *Ibid*

<sup>4</sup> <http://www.eia.gov/electricity/data.cfm>

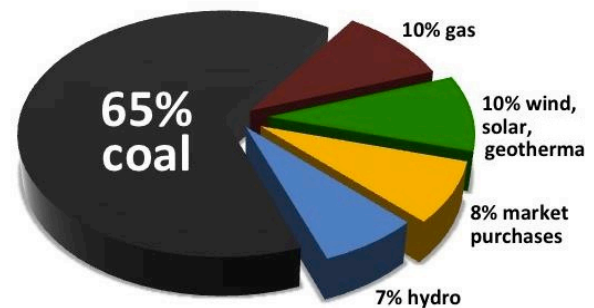
One reason that Utah lags at renewable energy development is that most of our political leaders are determined to remain tethered to fossil fuels, despite the considerable health and environmental costs. And, so, for example, Utah has no mandatory Renewable Portfolio Standard: a hard target that many states have adopted to encourage their monopoly utilities to go green.

Utah, instead, has a "voluntary" renewable energy standard, with a soft goal of reaching a 20 percent renewable energy portfolio by 2025. There is no penalty for not hitting the target. It's simply an objective. Nonetheless, at a recent legislative hearing, a utility lobbyist did confidently tell legislators that Rocky Mountain Power was on the verge of meeting the 20 percent standard.

Even with that soft target, Rocky Mountain Power has massaged its numbers to suggest it is closer to this goal than the reality. Here's how: More than half the power it counts towards the 20 percent goal is from decades-old hydroelectric projects, which not everyone agrees should count as "renewable" energy. Everyone agrees that wind, solar, and geothermal energy are renewable, but given that dams tend to silt up and are dependent upon water levels that are often unreliable, many experts don't count them as "renewables."

One example of Rocky Mountain's hydro resources is the Cutler Project Dam, a 30-megawatt facility located 13 miles northwest of Logan<sup>5</sup>. That dam was built in 1924. It's an emissions-free resource, but unfortunately, it often has to stop power production in the summer when its waters get diverted for irrigation and agriculture. It sometimes produces 30 megawatts. Yet, the utility counts this 90-year-old, part-time facility as if it is always producing at full power – and thus bringing Utah close to our renewable goal.

#### What energy mix does Rocky Mountain Power supply?



Source: Rocky Mountain Power Integrated Resource Plan

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<sup>5</sup> <http://www.pacificcorp.com/es/hydro/hl/cutler.html>

And so, via some clever math and smoke and mirrors, a Rocky Mountain Power lobbyist can go before the legislature and report that the company is well on track to meet the voluntary renewable energy standard of 20 percent by 2025, even though, as the data above tell us, only about 9 percent of our energy mix actually comes from wind, solar or geothermal energy. Although, of course, about a third of that doesn't exist at all, if you read the fine print.

But perhaps that's how Utahns want it. After all, we live in one of the reddest states in America. Perhaps the residents of our state aren't particularly interested in buying clean energy.

If you look at the power made here, Utah has the worst record in the West.

Not so. Poll after poll has shown that Utahns in fact do want more renewables. Most recently, in August 2015, Envision Utah's survey of nearly 53,000 Utahns found that 65 percent support rate hikes if it resulted in more renewable energy sources. In 2011, 53 percent of Utahns said they would be "willing to pay \$10 more per month to increase the share of energy coming from renewable energy," according to The State of the Rockies Project at Colorado College.

The year before that, 80 percent of customers served by the Utah Associated Municipal Power Systems (the main non-Rocky Mountain Power utility in the state) reported they wanted their utility to use more renewable resources.

Even in Utah, then, we see that consumers want more green energy than their utility will sell them.

## WHAT ABOUT BLUE SKY?

Read the hype about Blue Sky and you'll be impressed. For the 11<sup>th</sup> year in row, Rocky Mountain Power crowed in 2014, the program was named one



of “the top five utility green power programs in the country.”<sup>6</sup>

“For customers who want to support the continued growth of renewable energy, Blue Sky is a smart choice that makes a real difference for the environment and sustainability,” said then company CEO and president Richard Walje in a press release.

It’s all very impressive sounding: an award-winning renewables program via which the utility is embracing clean energy. But unpack the flowery rhetoric, and here’s what you’ll find: While Blue Sky is very popular (the basis for the awards) it’s not very effective. It’s a great way to channel people’s desire for clean energy, without disturbing the utility’s reliance upon fossil fuels.

Here’s how Blue Sky works: Customers can buy one or more monthly “credit” for \$1.95 each. And people do. More than 44,000 of Rocky Mountain Power’s customers in Utah, Wyoming in Idaho are currently buying these Blue Sky credits.

Those funds support two distinct renewable programs. In the first, the utility helps pay for small-scale local renewable projects – nearly all of them rooftop solar panels. For example, churches, theatres, museums, and even individual homeowners can apply to Blue Sky for grants to help them install rooftop solar arrays. A few slightly larger projects have also been installed with support from the fund.

The projects that Blue Sky supports are certainly worthy. However, since nearly all are very small, and add only a very modest amount of power to the grid (that which is net metered when the homes and institutions produce a surplus) they don’t tangibly change the mix of electricity that Rocky Mountain Power sells its customers.

The second thing that Rocky Mountain Power does with the Blue Sky funds is to buy Renewable Energy



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<sup>6</sup> <https://www.rockymountainpower.net/about/nr/nr2014/bstfuggppey.html>

While Blue Sky is very popular, it's not very effective.

Credits from renewable energy facilities all over the US. RECs are a complex financing tool by which a renewable entrepreneur can sell off the green “attribute” of his or her project to a third party, distinct from the customer who actually buys the power. RECs are positive in that they provide an extra stream of income to wind and solar farms, beyond what the facility makes by directly selling its energy. Like the other use of Blue Sky dollars, they work to subsidize these projects.

RECs, however, have their critics: Some argue convincingly that the credits don't really subsidize renewable projects in any meaningful way, and that they mostly serve to “greenwash” the fossil fuel-dependent portfolios of big companies eager to appear green.<sup>7</sup>

Putting that criticism aside, however, even at their best, RECs support green energy projects that supply energy to other consumers – not to Rocky Mountain Power customers. Buy as many RECs through Blue Sky as you want, and your energy mix is still less than 10 percent wind, solar and renewables, with most of the rest coming from coal.

The problem with Blue Sky isn't so much what it is – a subsidy to some renewable energy projects locally and beyond, but what it isn't. It's not a way for Utahns to directly buy more renewable energy and less power from coal and natural gas.

Most troubling is how Rocky Mountain Power markets the program, both directly and via the contractor the utility hires to push it at markets, festivals and concerts throughout Utah. Let's look at how the utility describes the program.

- “You *buy* renewable energy in 100 kilowatt-hour (kwh) increments, called blocks, for just \$1.95 more per block per month.”

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<sup>7</sup> <http://thinkprogress.org/climate/2011/06/07/238244/clean-energy-trainwreck-why-most-recs-are-bad-and-how-to-find-the-good-ones/>

- “You can buy as many blocks as you'd like. Ten blocks per month *covers* about 100 percent of a typical home's electricity use.”<sup>8</sup> (Italics added for emphasis.)

Except the consumer does not actually “buy renewable energy” for his or her home. Even if the customer does commit to buy 10 blocks, for \$19.50 a month, or \$234 a year, to supposedly “cover about 100 percent” of home electricity use, his or her home is *still* powered by the same overall mix of Rocky Mountain Power’s energy.

Rocky Mountain Power tries to claim that the cumulative impact of its support of Blue Sky projects adds up to a significant portfolio shift. However, do the math and you see that’s not remotely true. The company’s website lists the 130 biggest projects that Blue Sky has helped to fund.<sup>9</sup> In total, those projects are producing about 3.4 megawatts of power – compared to 11,136 megawatts of power that the company owns.<sup>10</sup>

This means that the bigger projects that Blue Sky has helped to fund represent .03 percent of the company’s total portfolio. That’s not 3 percent. Or three-tenths of a percent. It’s three one-hundredths of a percent.

Put another way: for every one megawatt of power produced by Blue Sky projects, Rocky Mountain Power makes nearly 3,300 megawatts of its own power – nearly all of it from fossil fuels.

A cynical interpretation of Blue Sky is that it’s designed to channel people’s enthusiasm for change safely away from forcing the company to actually make significant shifts toward generating and selling less polluting power, and toward more renewable energy.

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<sup>8</sup> <https://www.rockymountainpower.net/env/bsre/po.html>

<sup>9</sup> <https://www.rockymountainpower.net/env/bsre/bscpf/cfr.html>

<sup>10</sup> <https://www.rockymountainpower.net/about/cf/qf.html>

In the summer of 2015, Rocky Mountain Power has quietly unveiled a new Blue Sky Program called “subscriber solar.”<sup>11</sup> Details are minimal so far, but it’s apparently designed to allow ratepayers to purchase a block of solar power from a new 15 MW solar facility. Potentially, that approach is a step in the right direction toward a more direct purchase of renewable energy. However, its scale – 15MW – remains comically miniscule when compared to the utility’s fossil fuel portfolio.

## THWARTING GREEN COMPANIES

Many of Rocky Mountain Power’s customers do want to buy renewable energy. And not just individuals and families, but some of the utility’s biggest customers.

In 2012, to satisfy green-minded big energy users, the Utah Legislature passed a new bill at the request of eBay to allow large companies with corporate sustainability goals to sign direct contracts with renewable energy providers – like solar or wind farms. The legislation, popularly known as “the eBay bill,” obligates Rocky Mountain Power, the monopoly owner of our electricity grid, to transmit that power over their lines.

The eBay bill had the potential to be one of the most progressive clean energy initiatives to ever emerge from the Utah State Legislature. The theory is great: Corporations and businesses with sustainability goals demand cleaner energy, and are willing to take on the costs of bringing new energy resources into the grid. All Rocky Mountain Power has to do is not get in the way.

Turned out that was too much to ask. Let’s check out the language in the eBay bill. It requires the company that wants to buy green power to pay for

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<sup>11</sup> <https://www.rockymountainpower.net/about/nr/nr2015/subscriber-solar.html>

the utility's "transmission or distribution" costs as well as "all reasonably identifiable costs that the qualified utility incurs."<sup>12</sup>

In 2013, the Utah Public Service Commission began the process of setting those rates. How much should Rocky Mountain Power charge eBay, or any other company wishing to take advantage of the new law? The utility's opening answer was depressing.

The utility's proposed system for implementing the eBay bill came up with "reasonably identifiable costs" that surprised everyone. Renewable developers said these laughably high estimates would raise the cost of the renewable energy to the end user – the company that wants to buy the power from a renewable energy project – by an astonishing 30 percent. In other words, the markups proposed by Rocky Mountain Power would basically make the renewable energy unaffordable.

Here's one example: Rocky Mountain Power proposed a monthly "administrative fee" of six to eight hours, at \$75 per hour, to handle every single "Customer Agreement" it would process under the eBay bill. It also proposed a separate increase to a "customer charge."

Those might sound modest and reasonable, but Walmart – which like eBay has a corporate sustainability mandate – estimated that for its 54 electricity accounts in Utah, this would equal a total bill of nearly \$350,000 per year. And that doesn't even factor in the cost of a trio of new fees the utility was proposing – "Delivery Facilities" charges, "Generation Backup" charges, and "Daily Backup Power" charges.

In March 2015, the Public Service Commission ruled in favor of many of the fees that Rocky Mountain

**Blue Sky is a great way to channel people's desire for clean energy, without disturbing the utility's reliance on fossil fuels.**

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<sup>12</sup> <http://le.utah.gov/~2012/bills/sbillenr/sb0012.htm>

Power claimed are required to allow companies to directly buy the green energy they want.<sup>13</sup>

But those fees aren't the worst of it, according to the big companies that were hoping to take advantage of the eBay bill. The Commission also allowed Rocky Mountain Power a daily "Power Charge," which those companies had argued, "provides no benefit to the type of resource, like solar, the Legislature probably intended to encourage by passing" the eBay bill.

The companies that want to buy clean energy, and the entrepreneurs that want to sell it to them, had instead fought for an hourly "Power Charge." That, they argued, would have allowed them to take advantage of one of the key benefits of solar power: Its peak generation matches well with the hours of the day when electricity costs the most, due to peak demand.

Unfortunately, however, Rocky Mountain Power successfully won the daily charge, a fateful decision that observers say may dissuade many or even all of the companies who were considering using the provisions of the eBay bill.

And, so, as of now, Rocky Mountain Power's efforts have managed to chill and possibly even kill what looked to be an important mechanism for supporting Utah's renewable energy sector and delivering the clean power that large Utah companies want to buy.

## AVOIDING RENEWABLE ENERGY

Let's turn to another arena in which Rocky Mountain Power interacts with renewable energy. A key piece of federal law creates opportunities for the utility to buy power from enterprising wind and solar producers. Rather than embracing that, the utility has fought to avoid buying wind and solar from these

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<sup>13</sup> [www.psc.state.ut.us/utilities/electric/elecindx/2014/documents/26466414035T02rao.pdf](http://www.psc.state.ut.us/utilities/electric/elecindx/2014/documents/26466414035T02rao.pdf)



entrepreneurs. And now its parent company, Berkshire Hathaway, has gone all the way to Washington to beat back green competition.

The Public Utility Regulatory Policy Act of 1978 (PURPA) requires that energy utilities connect to and buy power from “qualified” new electricity generating projects. This applies to newly-built renewable facilities, like wind farms or large-scale solar arrays. If you can build a new wind or solar project, and it meets a certain price requirement, the utility has to buy the power. That price, under utility regulation jargon, is called the “avoided cost.”

The goal of figuring out “avoided costs” for both the small and big projects is to arrive at a reasonable price that balances the energy entrepreneur’s need to get a fair price with the budgets of consumers, who can’t be asked to pay too much for a new source of electricity. Rocky Mountain Power must come in front of a regulatory body called the Public Service Commission (PSC) to hash out that key price.

Let’s take a look at two recent processes for figuring out those costs: one for smaller projects, the second for bigger ones.

In the first case, which addressed smaller renewable projects (those less than three megawatts) there was a recent PSC hearing under the ungainly heading of “Schedule 37.” That regulatory process began in early 2014 when Rocky Mountain Power requested huge changes to how the “avoided cost” is calculated for these small renewable projects. If Rocky Mountain Power had succeeded in its initial proposals, small-scale renewable energy entrepreneurs would be forced out of the market.

As Robert Millsap of Renewable Energy Advisors wrote the PSC in his comments, “it is hard to imagine producing or selling power at those prices.”<sup>14</sup> Millsap detailed, as many critics of the utility did,

**The utility has repeatedly fought to avoid buying power from renewable entrepreneurs.**

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<sup>14</sup> <http://www.psc.state.ut.us/utilities/electric/14docs/14035T04/255112Comments20from%20Robert%20Millsap,%20for%20REA%205-22-2014.docx>

how Rocky Mountain Power rigged its formula so that the resulting price would be far too low for any renewable energy developer to qualify.

When advocates for renewable energy discovered what Rocky Mountain Power was seeking to do, they urged the PSC to set the “avoided cost” for small projects much higher. A coalition of businesses wrote a letter to the PSC explaining that renewable energy isn’t just good for the environment, but it’s also needed so that utilities can balance their portfolio so they aren’t too dependent on any given energy resource. In addition, renewables can help guard against rising fuel costs, fuel price volatility, the costs of complying with carbon rules and the growing costs of a warming planet.<sup>15</sup>

The business coalition made one final point to the PSC: If the utility got its way in Schedule 37, it could devastate small, independent renewable power production facilities in Utah. And that prevents ratepayers from receiving the benefits of clean energy resources, from cleaner air, to improved health, to reduced carbon emissions.

The Schedule 37 fight over small renewable projects is important. But, is it perhaps an isolated case of Rocky Mountain Power seeking to avoid purchasing power from small projects, that, admittedly, wouldn’t add up to all that much power?

Sadly, no. Let’s take a quick look at the other important regulatory process related to this “avoided cost” issue – one that’s about the bigger projects, those larger than three megawatts.

These are the projects that could truly make a difference in Rocky Mountain Power’s portfolio. These are the wind farms and fields of solar panels that can begin to replace coal power plants and offer a growing stream of clean, green energy to the Mountain West consumers who so want it.

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<sup>15</sup> <http://www.psc.state.ut.us/utilities/electric/14docs/14035T04/260659Comments%20from%20Reps%20of%20Utah%20Business%20Community%209-16-2014.pdf>

And, in a dizzying array of regulatory filings and legal maneuvers over the past few years – far too many to describe here in detail – the utility has sought to sidestep its legal responsibility to buy power from those projects, too. Many of those have been grouped under the rubric of, you guessed it, Schedule 38.

Let's just hit a few highlights of how the utility has sought repeatedly to avoid buying power from big renewable projects. Rocky Mountain Power attempted several times, as with the smaller renewable energy projects, to change the formula that determines the "avoided cost." The utility wanted to have to buy only very, very, very cheap renewable energy – so cheap that no renewable energy project could possibly break even.

Thankfully, its attempts largely failed, and in 2013 the PSC ordered the utility to use a more accurate formula that was just generous enough to open the door to applications from new renewable projects – more than 25 Utah projects that could produce as much as 1,800 megawatts of power. How did Rocky Mountain Power respond? Did they act on their oft-repeated commitment to renewables and leap at the chance to buy clean, green, Utah power?

Nope. In May 2014, Rocky Mountain Power actually requested a suspension of Schedule 38. That move, if implemented, would have shut down these projects, as the generators would have no network to which transmit and sell their cleanly generated energy.

Fortunately, despite the utility's efforts, the PSC rejected that request.

It's not just Utah where Rocky Mountain Power and its corporate parents<sup>16</sup> are seeking to thwart renewable energy developers. In Washington, D.C., the utility's parent company is lobbying Congress to

**It's time we begin to see our electric utilities as a target for activism – and action.**

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<sup>16</sup> Rocky Mountain Power is a unit of PacifiCorp, a part of Berkshire Hathaway Energy (formerly MidAmerican), itself an affiliate of Berkshire Hathaway, the international conglomerate which is the fifth largest public company in the world.

weaken PURPA – and possibly even do away with it entirely in the West.

Berkshire Hathaway is pushing to amend PURPA so it would no longer require utilities to buy any power from projects smaller than 20MW. A June 2015 report in E&E News characterized this as a bid to “scrap federal requirements for utilities to buy power from small renewable and cogeneration units.”<sup>17</sup>

But that’s not even the worst of it. The company’s lobbyist wants to go even further and exempt all of its Western utilities from PURPA entirely.<sup>18</sup>

Why is Rocky Mountain Power so determined to fight off buying renewable energy, even when its customers want it? Only its executives know for sure, but one likely motive has to do with how the company’s profits are calculated.

Rocky Mountain Power, as a government-sanctioned monopoly, has no competition. These utilities are regulated, so that they don’t just raise their rates through the roof. That means that in Utah, the Public Service Commission approves an authorized rate of return for the utility, defined by a complex formula.

That formula is based not just on the power Rocky Mountain Power sells, but on the power generation facilities they own. Our utility is most profitable when it owns and operates huge capital expense projects.

That means that Rocky Mountain Power makes its money – gobs of it! – based on how many of the assets it owns are “in service.” Essentially, the more coal plants it has running, the more money it makes. And the more transmission lines it builds, the more money it makes.

And there’s the problem. Rocky Mountain Power doesn’t want to buy power from those 1,800

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<sup>17</sup> <http://www.eenews.net/stories/1060019382>

<sup>18</sup> *Ibid*

megawatts of clean energy from independent producers. Because if it does, it might have to shut down one of its coal-fired units. Or it might end up burning less fuel at one of its natural gas plants.

That means less profit. Every unit of power the utility distributes and sells from an asset it doesn't own – like power produced under PURPA – is less revenue for the company. The company simply makes more money when it distributes its own power.

Of course, Berkshire Hathaway's lobbyists don't admit that when they lobby Congress. Instead, they warn of "higher prices and reliability issues" if they have to keep buying all that clean energy from entrepreneurs. But their real motive seems to lie closer to their bottom line – profit.

## CONCLUSION

Ask Utahns who the culprits are for key environmental issues, such as climate change and air pollution. Remarkably, they're not very likely to identify their utility.

Heavy industry gets blamed, as does our reliance upon automobiles. But citizens largely don't see their utilities as agents of environmental harm.

And, yet, the data clearly show that the decisions utilities make about electricity are among the most critical ones shaping public health and the environment. Take climate change: In 2010, Salt Lake City did a "greenhouse gas inventory" to try and figure out how the varied activities of its population contribute to climate change. It found that a full 54 percent of the carbon emissions put out by the average Salt Lake City resident are due to their purchase of Rocky Mountain Power's coal power-dominated electricity fleet!<sup>19</sup>

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<sup>19</sup> [http://www.slcdocs.com/slccgreen/SLC%20Community%20Carbon%20Footprint%20Report%20\(2\).pdf](http://www.slcdocs.com/slccgreen/SLC%20Community%20Carbon%20Footprint%20Report%20(2).pdf)

Unfortunately, Rocky Mountain Power appears determined to avoid clean energy. Not only is it heavily dependent on fossil fuels, but when entrepreneurs come to the company seeking to sell their clean, green energy that customers want, the utility resists.

However, the processes by which Rocky Mountain Power blocks renewable energy – documented in this report – have played out in arenas hidden from public view.

Instead, our utility brags, over and over again, about its wildly popular Blue Sky program, which tens of thousands of Utahns support each month with their hard-earned dollars. However, we believe, if you care about how “blue” or “green” the energy is that you actually buy from Rocky Mountain Power, Blue Sky has done almost nothing to change that.

In a fundamental way, Blue Sky appears designed to make Utahns feel good about supporting renewable energy – while ensuring that Rocky Mountain Power doesn’t have to actually sell any more of it.

It’s worth noting that this report hasn’t even addressed the single most high-profile way in which Rocky Mountain Power has sought to squash renewables: Its failed bid in the summer of 2014 to impose a tax on rooftop solar owners. One doesn’t even need to bring up that sorry tale to make a strong case about where our utility really stands.

As our utility continues its many efforts to resist clean energy, it’s critical that everyone from elected officials, to activists, to Utah citizens, deepen our knowledge about how Rocky Mountain Power operates, in public and in private.

Take all this evidence together – the reality of how little clean energy our utility sells us, the weakness of the program it offers as an alternative, and the company’s quiet efforts to resist change – and we are left with an unassailable conclusion: Rocky Mountain Power is no friend to renewable energy, even as it pretends otherwise.





# Get Involved

## VOLUNTEER WITH HEAL UTAH

**HEAL's strength lies with our volunteers. We get more done because of the dedicated citizen activists who attend public hearings, lobby public officials, educate the public or who help behind the scenes with phone banking, office work or by writing letters to the editor. To become a HEAL Volunteer, go to our website [www.healutah.org](http://www.healutah.org) and click on "Get Involved." Also, please feel free to contact us at [info@healutah.org](mailto:info@healutah.org) or call our office at 801-355-5055.**



## SUPPORT OUR CAMPAIGNS WITH A FINANCIAL CONTRIBUTION

**Your support of HEAL Utah allows us to fight for clean air and clean energy and to protect Utah's public health and environment. Please call us at 801-355-5055 or go to [www.healutah.org/donate](http://www.healutah.org/donate). Your generous investment in our work is tax-deductible to the full extent of the law.**



**Rocky Mountain Power's Blue Sky Program is very popular, but it's not very effective. It's a great way to channel people's desire for clean energy, without disturbing the utility's reliance on fossil fuels.**

**HEAL**

824 South 400 West, Suite B111  
Salt Lake City, Utah 84101

For more information visit [healutah.org/BrownSky](http://healutah.org/BrownSky)