CALIFORNIA	PUBLIC UTI	LITIES COMMISSION					
ADVICE LETTER FILING SUMMARY ENERGY UTILITY							
MUST BE COMPLETED BY LSE (Attach additional pages as needed)							
Company name/CPUC Utility No. Liberty Utilities (CalPeco Electric) LLC (U 933-E)							
Utility type:	Contact Person for questions and approval letters: Daniel W. Marsh						
$\square$ ELC $\square$ GAS	Phone #: 562-299-5104						
□ PLC □ HEAT □ WATER	E-mail: Dan.Marsh@libertyutilities.com						
EXPLANATION OF UTILITY	ТҮРЕ	(Date Filed/ Received Stamp by CPUC)					
ELC = ElectricGAS = GasPLC = PipelineHEAT = Heat	WATER = Water	VATER = Water					
Advice Letter (AL) #: 90-E Subject of AL: Luning Solar Project Performance Report							
Tier Designation: $\square 1 \square 2 \square 3$							
Keywords (choose from CPUC listing)	:						
AL filing type: $\Box$ Monthly $\Box$ Quarterl	y □Annual ☑ One-7	Time   Other					
If AL filed in compliance with a Comm	nission order, indicat	e relevant Decision/Resolution					
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL							
Summarize differences between the A	L and the prior with	drawn or rejected AL					
Resolution Required? 🗆 Yes 🗹 No							
Requested effective date: March 1, 202	8 No. of tariff sheets: 0						
Estimated system annual revenue effe	ect: (%):						
Estimated system average rate effect (%):							
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).							
Tariff schedules affected: N/A							
Service affected and changes proposed: N/A							
Pending advice letters that revise the same tariff sheets: N/A							
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:							
CPUC, Energy Division Utility Info (including e-mail)							
Attention: Tariff Unit	Liberty Utilities (CalPeco Electric) LLC						
505 Van Ness Ave., Sen Francisco, CA 94102		Attention: Advice Letter Protests 933 Eloise Avenue					
San Francisco, CA 94102 <u>edtariffunit@cpuc.ca.gov</u>		South Lake Tahoe, CA 96150					
Email: greg.campbell@libertyutilities.com							



Liberty Utilities (CalPeco Electric) LLC 933 Eloise Avenue South Lake Tahoe, CA 96150 Tel: 800-782-2506 Fax: 530-544-4811

March 1, 2018

## ADVICE LETTER 90-E (U 933-E)

## VIA EMAIL

California Public Utilities Commission Energy Division Attention: Tariff Unit 505 Van Ness Avenue, 4<sup>th</sup> Floor San Francisco, CA 94102-3298

## Subject: Luning Solar Project Performance Report

Liberty Utilities (CalPeco Electric) LLC ("Liberty CalPeco") hereby submits this **Tier 1** Advice Letter regarding the performance of the Luning Solar Project ("Luning" or "Luning Project"), pursuant to Ordering Paragraph No. 1(e) of Decision ("D.") 16-01-021.

## **Background**

Ordering Paragraph No. 1(e) of D. 16-01-021 requires Liberty CalPeco to provide "a description of the performance of the Luning facility, actual costs of the power purchased by Liberty [CalPeco], actual generation of the Luning facility, and [identify] all costs incurred during 2017 which Luning has, or intends to, recover in rates."

### Luning Generation

The Luning Project began commercial operations in February 2017. Over the past 12 months, the Luning Project has performed as anticipated, with high energy generation during the summer months. For example, between May and August 2017, Luning averaged approximately 13,850 MWhrs per month.

As anticipated, the performance of the Luning Project has enabled Liberty CalPeco customers to save a significant amount on avoided renewable energy purchases that would otherwise have been required to meet California's renewables portfolio standard. In addition, Liberty CalPeco customers have received a significant additional benefit by avoiding demand charges that would otherwise be incurred pursuant to Liberty CalPeco's Services Agreement with NV Energy.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The NV Energy Service Agreement was approved in Decision 15-12-021,

In the table below, Liberty CalPeco provides details on the monthly generation from the Luning Project, the value of the avoided renewable energy purchases, and the value of the avoided demand charges.

Month	Luning Generation (kWhrs)	NV Energy Renewable Rate (\$/MWhr)	Avoided Renewable Energy Purchases	Luning Coincident Generation (kW)	Luning Demand Credit (kW)	Avoided Demand Charges <sup>2</sup>
Feb-17	7,640,394	\$ 61.42	\$ 469,253			
Mar-17	11,320,683	\$ 61.06	\$ 691,248			
Apr-17	12,696,402	\$ 60.88	\$ 772,916	-	-	
May- 17	14,160,935	\$ 59.23	\$ 838,768	41,021	19,000	\$ 178,030
Jun-17	14,119,835	\$ 60.90	\$ 859,886	15,154	15,154	\$ 141,989
Jul-17	14,075,585	\$ 60.41	\$ 850,311	40,592	19,000	\$ 178,030
Aug-17	13,047,003	\$ 60.44	\$ 788,541	45,434	19,000	\$ 178,030
Sep-17	10,819,966	\$ 60.88	\$ 658,770	18,824	18,824	\$ 176,379
Oct-17	11,387,211	\$ 61.12	\$ 695,981	22,507	19,000	\$ 178,030
Nov-17	7,689,354	\$ 61.58	\$ 473,487			
Dec-17	6,507,685	\$ 61.77	\$ 401,990			
Jan-18	6,236,736	\$ 61.77 <sup>3</sup>	\$ 385,253			
Total	129,701,789		\$ 7,886,404			\$1,030,488

## Luning Costs

<sup>&</sup>lt;sup>2</sup> Pursuant to the terms of the NV Energy Service Agreement, Liberty CalPeco only receives Demand Credit for Luning generation between the months of April - October.

<sup>&</sup>lt;sup>3</sup> This January 2018 Renewable Rate is only an estimate at this time.

Liberty CalPeco submitted Advice Letter 65-E on October 17, 2016 to increase its 2017 base rate revenues in accordance with the Post-Test Year Adjustment Mechanism ("PTAM") as set forth in Section 9 of the Preliminary Statement in the Liberty CalPeco Tariff and as further authorized by Decision ("D.") 16-01-021 ("Luning Approval Decision").

In the table below, Liberty CalPeco provides costs incurred in 2017 related to the Luning Project. Please note that these costs are preliminary, unaudited, and subject to revision.

Cost Category		2017 Expenses		
Land Lease	\$	56,804.22		
Office Expense	\$	74,332.01		
Outside Service/Management Fees	\$	58,521.74		
Maintenance Expense	\$	549,308.90		
Insurance	\$	176,764.74		
Property Taxes	\$	560,664.17		
Total Expenses	\$	1,476,395.78		

## **Effective Date**

Liberty CalPeco requests that this **Tier 1** advice letter be effective as of April 2, 2018.

### **Protests**

Anyone wishing to protest this submission may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than March 21, 2018, which is 20 days after the date of this submission. The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on who may submit a protest.

Protests should be mailed to:

California Public Utilities Commission Energy Division, Tariff Unit 505 Van Ness Avenue, 4<sup>th</sup> Floor San Francisco, CA 94102-3298 Facsimile: (415) 703-2200 Email: edtariffunit@cpuc.ca.gov

The protest also should be sent via email and U.S. Mail (and by facsimile, if possible) to Liberty Utilities at the addresses show below on the same date it is mailed or delivered to the Commission.

Liberty Utilities (CalPeco Electric) LLC Attn.: Advice Letter Protests 933 Eloise Avenue South Lake Tahoe, CA 96150 Fax: 530-544-4811 Email: Dan.Marsh@libertyutilities.com With a copy to:

Patrick Ferguson Davis Wright Tremaine LLP 505 Montgomery Street, Suite 800 San Francisco, CA 94111 Fax: 415-276-6599 Email: patrickferguson@dwt.com

## <u>Notice</u>

In accordance with Ordering Paragraph 1 of D.16-01-021 and General Order 96-B, Section 4.3, a copy of this Advice Letter is being sent electronically to parties shown on the attached lists.

If additional information is required, please do not hesitate to contact me.

Sincerely,

/s/Daniel W. Marsh Daniel W. Marsh Manager, Rates and Regulatory Affairs Liberty Utilities (CalPeco Electric) LLC

cc: Liberty Utilities General Order 96-B Advice Letter Service List CPUC Service List A.15-04-016

# CALIFORNIA PUBLIC UTILITIES COMMISSION Service Lists

PROCEEDING: A1504016 - LIBERTY UTILITIES (C FILER: LIBERTY UTILITIES (CALPECO ELECTRIC) LLC LIST NAME: LIST LAST CHANGED: MAY 17, 2017

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## **Parties**

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Liberty Utilities (CalPeco Electric) LLC Advice Letter Filing Service List General Order 96-B, Section 4.3

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