

**BEFORE THE  
WISCONSIN PUBLIC SERVICE COMMISSION**

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Verified Petition of Vote Solar of Distributed Energy Resource Systems in Wisconsin ) )  
Docket No. 9300-DR-106

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**SURREBUTTAL TESTIMONY OF KARL R. RÁBAGO  
ON BEHALF OF VOTE SOLAR**

1 **Q. Please state your name.**

2 A. My name is Karl R. Rábago.

3 **Q. Are you the same Karl R. Rábago that provided rebuttal testimony on Vote Solar’s**  
4 **behalf in this proceeding?**

5 A. Yes.

6 **Q. What is the purpose of your surrebuttal testimony?**

7 A. I respond to the rebuttal testimony filed by witnesses Simon, Heiser and Graves on behalf  
8 of the Wisconsin Utilities Association (WUA), and witness Quackenbush on behalf of  
9 Fair Rates for Wisconsin’s Dairyland (FRWD) (“utility rebuttal witnesses”).

10 **Q. What is your overall reaction to the rebuttal testimony filed by the utility rebuttal**  
11 **witnesses?**

12 A. The utility rebuttal witnesses repeat many of the distributed energy resource (DER)-  
13 related policy issues raised in direct testimony, with an emphasis on issues related to  
14 consumer protection. I addressed those consumer protection (and other policy) issues in  
15 my rebuttal testimony. As Citizens Utility Board witness Singletary states succinctly in

1 his rebuttal testimony: “It is not that consumer protection isn’t important. Rather it’s  
2 simply not relevant to the question before the Commission in this proceeding.”<sup>1</sup>

3 The utility rebuttal witnesses also recommend that the Commission consider the  
4 experiences of other states that have clarified the legality of third-party financed DER,  
5 and suggest that those experiences should prompt the Commission to deny the Petition.<sup>2</sup> I  
6 disagree with that view, and submit that the experiences of other states should encourage,  
7 not concern the Commission.

8 **Q. Please elaborate.**

9 A. As I suggested in my rebuttal testimony, the experiences of Michigan, Illinois and  
10 Iowa<sup>3</sup>—three Midwestern states bordering Wisconsin and in which third-party DER  
11 Providers are not considered public utilities—are instructive.<sup>4</sup> Iowa, in particular,  
12 deserves attention. In the eight years since the Iowa Supreme Court decision clarifying  
13 the legality of third-party financed DER, residential customers, schools, churches,  
14 universities, municipalities, and other customers in Iowa have installed and benefited  
15 from third party-financed DERs. A February 2021 report reviewing the “Financial  
16 Impacts of Public Entity Solar Installations,” prepared by the Iowa State Auditor<sup>5</sup> (Ex.-  
17 VS- Rábago-3), revealed that:

- 18 • A total of 80 communities across the state had installed solar energy  
19 systems (at the time the report was prepared);

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<sup>1</sup> Rebuttal-CUB-Singletary-4.

<sup>2</sup> Rebuttal-WUA-Graves-8-9; Rebuttal-WUA-Simon-3-4, 6-8; Rebuttal-FRWD-Quackenbush-5.

<sup>3</sup> As I explained in my rebuttal testimony, an Iowa state Supreme Court decision in 2014 found that the offering of behind-the-meter solar through PPA financing did not make DER Providers public utilities. Rebuttal-VS- Rábago-6.

<sup>4</sup> Rebuttal-VS- Rábago-5.

<sup>5</sup> Office of Auditor of State, “A Review of the Financial Impacts of Public Entity Solar Energy Installations” (Feb. 25, 2021), available at: [[https://](https://www.auditor.iowa.gov/media/cms/IowaSolarReport_55192DA30BB49.pdf)] [[www.](http://www.auditor.iowa.gov/media/cms/IowaSolarReport_55192DA30BB49.pdf)] [[auditor.iowa](http://auditor.iowa.gov/media/cms/IowaSolarReport_55192DA30BB49.pdf)]  
.gov/media/cms/IowaSolarReport\_55192DA30BB49.pdf. (Ex.-VS- Rábago-3).

- 1 • Most of those systems were installed following the 2014 court decision  
2 allowing public entities to utilize power purchase agreements;
- 3 • Participants reported annual savings as high as \$80,000, with greater than  
4 \$26,475 in average annual savings, and \$716,437 in average lifetime  
5 savings;
- 6 • If each county, county seat, and each school district in Iowa created a solar  
7 installation of the average size of those installations participating in the  
8 review, Iowa taxpayers could expect to net over \$375 million in savings  
9 over the course of the installations' lifetimes.

10 A survey of local officials conducted as a part of that report indicates that the vast  
11 majority of third party-financed DERs reviewed in the report were well-received by the  
12 public, have delivered cost savings, and were easy to install and operate. Some survey  
13 respondents expressed frustrations with their utility for opposing their project and DERs  
14 in general, for being difficult to work with, for making the interconnection process  
15 challenging, and for offering low export compensation rates—which are not atypical  
16 concerns, in my experience. But despite those concerns with their utilities, the public  
17 entities highlighted in the report appear to have had positive experiences with third-party  
18 financed DERs overall.

19 **Q. Do the positive experiences documented in the Iowa State Auditor report suggest**  
20 **that utility regulators need not take any action to protect utility customers who are**  
21 **interested in installing third party-financed DER?**

22 A. It does not. On the contrary, the Iowa Utilities Board (IUB) has been proactive in this  
23 regard. The IUB published a helpful “Informational Guide for On-Site Generation.”<sup>6</sup> That  
24 guide is intended to help residential and small business customers considering installing

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<sup>6</sup> Iowa Utilities Board, “Informational Guide for On-Site Generation (Distributed Generation).”  
Available at:  
[[https://iub.iowa.gov/sites/default/files/files/misc/IUB\\_Informational\\_Guide\\_Distributed\\_Generation.pdf](https://iub.iowa.gov/sites/default/files/files/misc/IUB_Informational_Guide_Distributed_Generation.pdf)].

1 electric generation on their property. That includes guidance on how the customer might  
2 assess goals; a checklist of pre-installation tasks; tips on how to choose a dealer and  
3 equipment; a caution on scams; a list of considerations specific to leases and power  
4 purchase agreements; a framework to compare the costs of a customer-owned distributed  
5 generation system and a financed system; and other helpful links to relevant resources  
6 (including a link to the Attorney General’s Office for customers seeking to file a  
7 complaint against solar providers).

8 In my view, the IUB’s Information Guide is a helpful resource. This Commission  
9 might consider developing a similar resource—with information and resources specific to  
10 Wisconsin—for the benefit of Wisconsin customers pursuing on-site distributed  
11 generation. While the Wisconsin Department of Agriculture, Trade and Consumer  
12 Protection (DATCP) has already developed a similar resource,<sup>7</sup> and otherwise exerts  
13 oversight to protect DER consumers,<sup>8</sup> the Commission’s “industry-specific  
14 knowledge”—which utility witness Quackenbush emphasizes<sup>9</sup>—makes it well-equipped  
15 to develop consumer education materials that supplement those that DATCP has already  
16 developed.

17 **Q. Does this conclude your surrebuttal testimony?**

18 A. Yes.

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<sup>7</sup> Department of Agriculture, Trade and Consumer Protection, “Solar Buying Tips.” Available at: [\[https://\] \[datcp.wi.\] gov/Pages/Programs\\_Services/SolarPowerBuyingTips.aspx](https://[datcp.wi.]gov/Pages/Programs_Services/SolarPowerBuyingTips.aspx).

<sup>8</sup> See Rebuttal-VS-Rábago-21-22 (describing DATCP’s authority to protect DER consumers); see also Rebuttal-WUA-Graves-8 (referencing DATCP’s complaint process, which allows consumers to file complaints against solar installation companies).

<sup>9</sup> Rebuttal-FRWD-Quackenbush-5.