



Comparison of Benefits and Costs Utility Electricity and Customer Solar Electricity

Utility Electricity	BENEFIT/COST	Customer Solar Electricity
Passed through to Customers in Fuel Charge; Capitalized for Nuclear Plants	Fuel	Customer solar provides savings benefit ^{ab}
Passed through to Customers in Rates, some capitalized to also earn profit	Plant Operations & Maintenance - Fixed	Customer solar provides savings benefit ^{ab}
Passed through to Customers in Rates, some capitalized to also earn profit	Plant Operations & Maintenance - Variable	Customer solar provides savings benefit ^{ab}
Passed through to Customers in Rates; utility-owned plants also earn profit	Generation Capacity	Customer solar provides savings benefit ^{ab}
Passed through to Customers in Rates; utility-owned plants also earn profit	Reserve Generation Capacity	Customer solar provides savings benefit ^{ab}
Passed through to Customers in Rates; utility-owned wires and infrastructure also earn profit	Transmission Capacity	Customer solar provides savings benefit ^{ab}
Passed through to Customers in Rates; utility-owned wires and infrastructure also earn profit	Distribution Capacity	Customer solar provides savings benefit ^{ab}
Compliance costs included in plant capital and operation costs; additional impacts passed on to society in general	Incremental Environmental Cost	Customer solar provides savings benefit ^{ab}
If added to compliance costs, passed through to Customers in Rates, capital investments also earn profit. If not, passed on to society in general	Environmental Regulation Risk	Customer solar provides savings benefit ^{ab}
Passed through to Customers in Rates; utility-owned infrastructure also earns profit	Ancillary Services - Voltage control, etc.	Customer solar provides savings benefit ^{abc}
Some passed to Solar Customer; some passed through Rates, capital investments also earn profit	Solar Integration	Customer solar may impose some costs on utility (and other customers) for metering, administration, etc.

^a Should be adjusted (downward) for Load Match

^b Should be adjusted (upward) for Loss Savings

^c May require additional equipment, like smart inverters