relationship between solar adoptions and those explanatory variables. Mechanically projecting the historical growth rate into the future ignores the reasons that growth has occurred. From 2010 to 2021, solar installation costs dropped dramatically. According to the most recent NREL ATB (2023), from 2010 to 2021, the median residential solar CAPEX declined by 9.2% per year. From 2021 to 2028, however, residential solar CAPEX in the moderate scenario is only projected to decline by 3.0% per year.[18] Based upon only this data, a linear regression model with solar installation cost as the only independent variable would capture this smaller rate of change relative to history and project a smaller rate of growth for solar adoptions in the future.

Additionally, it is important to check the results for reasonableness. Currently the Companies have around 4,000 distributed solar customers. This represents about 0.5% of residential customers today. Even assuming the 1% cap, the Companies' base solar forecast suggests ~~a little more than 2%~~ about 1.2% of residential customers will have distributed solar by 2028 – this means that the Companies are projecting ~~4 times~~ about 2.5 times the current number of distributed solar customers in just the next 5 years. This projected growth is not conservative as Mr. McDonald suggests but instead reflects a steady incremental growth in the number of customers and amount of distributed solar capacity. Conversely, Mr. McDonald's method contemplates more aggressive growth to ~~over~~ about 6% of the Companies' residential customers adopting solar by 2028. His projection that the Companies will get to 12 times current levels of

[18] https://atb.nrel.gov/electricity/2023/residential_pv. The model used in the CPCN load forecast was based upon adjusted 2022 NREL ATB figures, as described at page 29 of Exhibit TAJ-1, and had multiple independent variables: retail electric rate, disposable income, and the grid-to-LCOE ratio (retail rate/LCOE of solar install).