

## AR 603 - Community Solar Docket

### **350PDX Comments on Proposed Rules**

May 9, 2017

Dear ALJ Harper and Commissioners Hardie, Bloom, and Decker:

On behalf of our 7,500 climate activists, 350PDX has been tracking the new Community Solar Program for a long time. We want to say we appreciate the openness with which the PUC staff have been conducting the listening sessions and exploratory discussions to date. We also appreciate that the May 1 promulgated Proposed Rules contain some significant improvements over earlier versions in the exploratory process.

Our interest in this issue is probably no surprise to anyone familiar with our organization: to avert a world-wide climate crisis, and there is no time to waste. Toward that end we are focused on ending reliance on fossil fuels as an energy source and promoting the use of renewables of all sorts as a substitute.

In the process of transitioning from the fossil fuel economy to a cleaner-energy economy, we have an opportunity to address long-standing inequities which all-too-often leave low-income communities and communities of color carrying the brunt of pollution in a region. And yet these same communities are often the last to be cleaned up and protected.

Oregon's Community Solar program has the potential to contribute enormously to the development of new solar power, and in the process to create new industries, and jobs, especially in areas of the State that have long been neglected.

We understand that the PUC is charged with implementing rules to turn broad policy into workable processes and procedures. As mentioned above, we appreciate the openness and cooperative attitude of PUC staff.

It is important to remember that the enabling legislation for Community Solar is part of the "Coal to Clean" legislation of 2016. The policy goal of this legislation was to reduce, on a speeded up timeline, the use of fossil fuels (especially coal) in Oregon's energy mix and increase the use of renewable energy sources, including solar. The legislation even includes a specific admonition for the PUC to "Incentivize

consumers of electricity to be owners or subscribers [in Community Solar projects]” (SB 1547, Section 22, Subsection 2(b)(A)). It is clear that the intent of the legislation was to promote development of the solar renewable energy resource. Any disputes in the process of rulemaking should be resolved so as to be consistent with this overall policy direction of the enabling legislation.

Our concern is that the current draft of the possible rules loses, in too many places, the grand design of the original legislation. We urge you to revise the rule draft to be less limiting of this new program, and instead to allow it to fulfill its potential:

The primary purpose of the Community Solar Program should be to maximize and facilitate the rapid development of this renewable resource, and assure the minimum 10%-of-capacity is spent to benefit low-income Oregonians.

Listed below are some of our specific concerns with the Proposed Rules:

**There should be no limit on the amount of solar power to be developed under the Community Solar program. (0060.2; 0080.)**

We understand that the Proposed Rules significantly increase the “capacity tier” proposed in earlier drafts from 1% to 2.5%. But the law that created the Community Solar program does not require any limit, and there is no need for the PUC to set one. The PUC could and, in our view should, instead use its power to regularly (e.g. at specific check-in thresholds) review the program to see if problems are developing and then to slow down or stop the program, if necessary. The existing difficulties financing and building projects will ensure program growth is slow enough to prevent over-expansion before action can be taken.

**There should be no geographic limits on where in the state subscribers or owners may participate in a project, regardless of their utility’s service district. (0080.1.a)**

Remove the requirement that an electricity customer can only participate in a Community Solar project in the service areas of the same customer’s utility. Besides being consistent with the enabling legislation, this step would create a better incentive for greater program growth and growth in the Oregon economy. Many subscribers who live on the cloudier west side of the cascades should be able to, and are likely to want to subscribe to projects located on the sunny east side of the state. Similarly, the economic development

opportunities of community solar projects should be available to all communities in Oregon, and not restricted solely to service areas of a customer's private utility.

**Consumers of community solar must be able to purchase additional capacity as their needs for electricity increase, such as when converting to an electric heat pump or purchasing an electric vehicle.**

As written, the rules appear to limit a customer to initially buying only the amount of power they currently use, and then prohibit purchase of additional power from another project if there is no more capacity available within the consumer's original community solar project.

**Allow, larger public and private entities that so choose, exemption from the "one Community Solar project per customer" rule (0080.1 a and b).**

Especially public jurisdictions, but also larger commercial customers, may decide to support their own climate goals as well as the goals of groups of electric company customers by becoming an "anchor subscriber/owner" in multiple parts or regions of their areas of operations. (For instance, we are proud that the City of Portland and Multnomah County have set a "100% renewables" goal.) As long as the power to be generated through the public entity's investment does not exceed the annual usage for their geographic area there should be no limit on larger enterprises' ability to participate in multiple Community Solar projects. We recognize that the Proposed Rule has changed to allow customers to participate in a single project per each contiguous utility service area the customer participates in, but this is not a sufficient change to counter the substantial limiting effects of the rule. Even though larger public and private entities have other options for solar power, such as direct-access, the role they could play in assisting smaller community solar projects to be created and succeed should be encouraged, not stifled. This, too, would be a possible incentive for consumers to become owners or subscribers that would be consistent with the legislative intent, and not require financing.

**Give the Solar Advisory Committee (0050) and Program Administrator (0020) a broad charge of promoting and advocating for the rapid development of Community Solar projects.**

Part of the explicit charge of the Solar Advisory Committee and the Program Administrator should be to encourage and facilitate the rapid development of this renewable resource. This should include advocacy to policy makers for

financial incentives that encourage participation, and the removal of regulatory and other barriers that limit development of new community solar generating capacity. We do appreciate that the Proposed Rules make significant improvements over earlier drafts to create a more diverse Solar Advisory Committee.

**The PUC should stay the course on assuring that 10% of the Community Solar Program's capacity are in fact used to benefit low-income households, not merely "made available." (0160.1)**

The clarifications in the new Proposed Rules of the possible mechanisms for fulfilling the 10%-of-capacity-for-low-income-benefit requirement of the original legislation are a big step forward, and the Commission and staff deserve to be commended for this step. We recommend leaving flexibility in the rules to allow the Program Administrator, Low-Income Manager, and the Advisory Committee to assure the low-income bill credit benefit attaches to low-income individuals or housing units that rent to low-income individuals who are eligible for the benefit. We urge the Commission to continue to hold on to these guidelines, or very similar ones.

In closing, we appreciate the difficult job PUC staff and Commissioners have in trying to resolve significant differences between various stakeholders. However, we also feel it is important to remember the clear intent of the original legislation, which is to significantly spur solar power development in Oregon.

We look forward to continuing to work with you on the Community Solar program, and toward a cleaner and fairer energy economy –

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