

May 11, 2017

Oregon Public Utilities Commission
201 High St SE #100
Salem, OR 97301

RE: AR 603 Stakeholder Feedback

To the Public Utility Commission (PUC) staff and Commissioners:

The undersigned organizations appreciate the opportunity to comment on the draft rules for the Oregon Community Solar program. Sustainable Northwest and our partners value community-owned solar and believe it will be instrumental in Oregon's effort to build a clean energy economy. We view community solar as an opportunity to lower electricity costs and increase rural energy independence and resiliency, while generating local jobs and tax revenue to support vibrant communities. An effective program should be an integral part of local economies, value flexibility, maximize access and ease of participation, and provide appropriate incentives, timelines, and assurances so that owners, developers and subscribers see project benefits.

We appreciate the Commission's response to stakeholder feedback, as indicated in the draft rules recently published on May 1, 2017. Several of these adjustments will increase program flexibility and capacity, and clearly defined roles and guidelines. Particularly, we applaud the Commission for increasing the initial program capacity tier from 1% of 2016 peak load to 2.5%. We also commend the Commission for including explicit language to allow for a flexible billing cycle between the servicing electric utility and participant, as this will allow for agricultural users to reap maximum bill credit savings.

Sustainable Northwest and our network of rural communities across the state have a few additional concerns with the draft rules that may impact the success of the Community Solar program. Our comments and recommendations are presented below, in no order of priority.

Definition of Customer

Concern: The PUC has proposed to limit a subscriber to a single project per customer per utility service territory. We can envision multiple scenarios where this would pose a serious limitation to the program. Homeowners who own multiple properties, businesses with multiple locations, multi-family housing with several meters, and government entities with many facilities would be forced to make a one-time decision. As organizations that work to facilitate the deployment of solar on public facilities while increasing access to middle and low income residences, this limitation is overly burdensome and not in the interest of the customer.

Recommended Action: We encourage the PUC to adopt language that defines a subscriber as a meter, not site address.

Geographic Location

Concern: Draft rules limit customer participation to those within Investor Owned Utility (IOU) territory. They also limit PGE customers from only participating in PGE territory projects, and the same for Pacific Power customers. This limitation is burdensome and does not provide equitable access to customers. Anticipated demand for this program will come from the population centers in PGE territory, but range and solar resources largely reside

in Pacific Power territory.

Recommended Action: We request that the PUC adopt rules that provide more inclusivity and equity for all customers of IOU territory. This could be done by allowing projects to be developed within any of the covered IOU territories to serve all IOU customers. Each project could be limited to serve customers from a single utility and receive the assigned bill credit rate.

Program Capacity Tier Evaluation

Concern: The rules currently place a cap on initial program size at 2.5% of peak load in 2016. This equates to roughly 100MW for PGE customers, 72.5MW for Pacific Power, and 2.5MW for Idaho Power. There are no explicit milestones, guidelines or evaluation processes to move to a higher tier once the initial cap is reached. No mechanism is in place to ensure the program continues as it is evaluated to increase cap size. Stopping the program for evaluation may create market uncertainty.

Recommended Action: We suggest a clear process that defines when the program will be evaluated to move to a new capacity tier. In addition, we recommend concrete steps for this process to ensure that the program continues to function to avoid program gaps, causing market uncertainty.

Program Timeline

A Program Administrator will be selected through an RFP process, but there is no timeline when the RFP may be published, when administrative systems need to be developed, or when projects begin to develop. The lack of guidelines and timeframes could create delays for program launch, and generate greater uncertainty for potential developers and owners.

Recommended Action: Develop a timeline with milestones and deliverables relevant to responsibilities of the PUC and Program Administrator. This should begin with the adoption of the final rules about when the Program Administrator may begin accepting projects for pre-certification.

On behalf of our coalition of clean energy communities, we applaud the PUC for developing a robust and inclusive Community Solar program in Oregon. By expanding and increasing the benefits of solar for residents, businesses and government entities, Oregonians will enjoy increased resiliency, lower energy costs, and vibrant local economies. We appreciate your consideration of our additional recommendations, and look forward to working with the PUC and stakeholders to develop and implement an effective program.

For additional information or questions, please contact Bridget Callahan,
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Sincerely,

Sustainable Northwest

Rogue Climate

Lake County Resources Initiative

Klamath Watershed Partnership