



October 13, 2025

Via Electronic Filing

Public Utility Commission of Oregon
Attn: Filing Center
201 High St. SE, Suite 100
Salem OR 97301

Re: In the Matter of PUBLIC UTILITY COMMISSION OF OREGON,
Division 91 Rulemaking Small Scale Renewable (SSR) Energy Amendments.
Docket No. AR 674

Dear Filing Center:

Please find enclosed the Comments on Staff's Draft Proposed Rule on behalf of the Alliance of Western Energy Consumers' ("AWEC") in the above-referenced docket.

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Sincerely,

/s/Michelle N. Madsen
Michelle N. Madsen

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 674

In the Matter of)	
Rulemaking to Amend OAR 860-091,)	COMMENTS OF THE ALLIANCE OF
)	WESTERN ENERGY CONSUMERS
)	
Division 91 Rulemaking Small Scale)	
Renewable (SSR) Energy Amendments)	
_____)	

I. INTRODUCTION

The Alliance of Western Energy Consumers (“AWEC”) appreciates this opportunity to comment on the Public Utility Commission of Oregon (“Commission”) Staff’s Draft Proposed Rule Amendments to the Division 91 Small Scale Renewable (“SSR”) Requirements. AWEC generally supports Staff’s proposal with two exceptions, the treatment of storage resources and net-metered resources, which are discussed below.

II. COMMENTS

ORS 469A.210 requires all electric companies’ portfolios to be made up of at least 10% small-scale renewable energy projects, or SSRs. The Legislature broadly describes a SSR as having “a generating capacity of 20 megawatts or less that generate electricity utilizing a type of energy described in ORS 469A.025.”¹ ORS 469A.025 lists resources that are renewable portfolio standard (“RPS”) compliant, including wind and solar. AWEC believes that storage resources

¹ ORS 469A.210(2)(a).

collocated with RPS-eligible generation and net-metered resources meet the legislature’s broad definition of SSRs and effectuate the purpose of ORS 469A.210.

a. Energy Storage Systems

In Staff’s Draft Proposal, “energy storage systems” are excluded from resources or project types that may be used to comply with ORS 469A.210(2). This remains unchanged from Staff’s Straw Proposal, where Staff noted that “[s]torage resources are complementary to generating capacity, but do not provide measurable generating capacity on their own.”² AWEC agrees that *standalone* storage resources do not have a generating component. However, AWEC disagrees with Staff’s characterization of hybrid renewable plus storage systems, so long as the renewable resource is an eligible SSR.

An RPS-compliant resource collocated with a storage system should be considered as a single resource, and the cumulative nameplate capacity of both should be considered in the generating capacity of a SSR. A collocated storage system directly collects renewable generation from the collocated renewable resource.³ The storage system will be able to reserve unused generation from a renewable resource during times of either high production or low demand. In the opposite scenario (low production and/or high demand), the storage system may be dispatched to provide the precise energy generated by the renewable resource to serve load. Effectively, a storage system enhances the generating capacity of the renewable resource it is collocated with and increases the renewable resource’s dispatchability. It should, therefore, be considered a component of the renewable resource.

² See Staff’s Straw Proposal at 1.

³ The importance of co-location and hybrid projects in energy transition, Grid Beyond, <https://gridbeyond.com/the-importance-of-co-location-and-hybrid-projects-in-the-energy-transition/>.

This interpretation is supported by the Legislature’s treatment of collocated storage resources in other statutes. In ORS 469A.120,⁴ the Oregon Legislature addressed cost recovery for electric companies for complying with the RPS. Under this statute, electric companies are permitted to recover “costs prudently incurred by an electric company to construct or otherwise acquire facilities that generate electricity from renewable energy sources...and costs related to *associated* energy storage.”⁵ The inclusion of costs related to “associated” energy storage shows that the Legislature considered energy storage to be a component of a renewable energy resource. Moreover, the Commission has previously found that the use of “associated” in ORS 469A.120 “suggests something akin to co-location.”⁶

For the foregoing reasons, co-located storage resources are distinguished from standalone storage resources. A standalone storage resource generally receives excess generation from the grid. There is no direct tie to a generating resource. A collocated, resource, by contrast, receives energy directly from a renewable resource and, thus, serves the primary purpose of enhancing the capacity value of this resource, which should count toward a utility’s SSR compliance obligation.

b. Net Metered Generation

AWEC agrees with PGE that Staff should reconsider its treatment of net metered load. Under Staff’s draft rule proposal, it has excluded net metering facilities.⁷ The statutory definition of net metering facilities includes resources that generate electricity that meets the RPS.⁸ They

⁴ ORS 469A.120 addresses cost recovery for electric companies for RPS-compliant resources. The Legislature specifically applied the cost recovery provisions in this statute to ORS 469A.210, which is under consideration in this rulemaking.

⁵ ORS 469A.120(2)(a).

⁶ *Re Portland General Electric Co., Request for a General Rate Revision*, Docket No. UE 435, Order No. 24-454 at 121 (Dec. 20, 2024).

⁷ Staff Draft Proposed Rule Amendments at 4 (Sep. 25, 2025).

⁸ *See* ORS 757.300(1)(d).

also are paid for, at least in part, by all customers because net metered customers receive a credit based on the full retail rate, not the utility's avoided cost.⁹ Further, while Staff's straw proposal states that net metering resources are "not viewed as measurable utility generating capacity,"¹⁰ PGE clearly shows that it has 358 MW of net metering on its system,¹¹ and these resources provide energy to the system that is accounted for in utility planning.¹²

Net-metered facilities are renewable energy projects that exist behind-the-meter. Any extra generation from the facility may be sold back to an electric company to be used to serve that company's load. Effectively, net metered facilities are equivalent to community-solar programs, just on a smaller individual scale. Net metered facilities, which provide small scale renewable generation to the benefit of the grid and keep an electric company from procuring additional outside resources, should not be excluded for consideration as a SSR simply because they are owned or operated by one person versus an entire group. Exclusion of net-metered resources is counter to the Legislature's intent to require 10% of an electric company's generating capacity to come from community-based renewable energy projects.

III. CONCLUSION

AWEC believes Staff should reconsider its characterization of hybrid renewable plus storage systems and net metered resources. Staff should consider the systems to be eligible SSRs.

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⁹ OAR 860-039-0055(1).

¹⁰ Staff Straw Proposal at 1 (Aug. 5, 2025).

¹¹ PGE Response to Staff's Straw Proposal at 5 (Sep. 11, 2025).

¹² *In the Matter of Portland General Electric Co., 2023 Clean Energy Plan and Integrated Resource Plan*, Docket LC 80 at 109-110 (Mar. 31, 2023).

Dated this 13th day of October, 2025.

Respectfully submitted,

PEPPLE MOSER, P.C.

/s/ Tyler C. Pepple

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