

Citizens' Utility Board of Oregon

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September 29, 2015

Public Utility Commission of Oregon Filing Center 201 High St. SE, Suite 100 P.O. Box 1088 Salem, OR 97308

Re: UM 1746 - Recommendations for Community Solar Program Designs and Attributes Errata Filing

The Citizens' Utility Board of Oregon files herewith a correction to its originally submitted Comments filed on September 25, 2015. There is a typo on page 11 of the comments that CUB requests be corrected. CUB has highlighted the correction and attached it to this filing.

Please contact me if you have any questions with this filing.

Sincerely,

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- 1 the credit should mirror the net metered solar customer's experience, 4 CUB believes that the
- 2 retail rate should be used until the resource value of solar is determined.

Energy Attribute

3

9

- 4 Staff's preference is that a community solar program consists of a proportional share of actual
- 5 system output and that the participant's energy bill would contain a bill credit (much like a net
- 6 metered customer's experience.) CUB agrees with both principles. Customers should receive a
- 7 concrete illustration of what they are buying and they should only be getting credit for energy
- 8 they are buying in to.

Risk and Cost-Shift Minimization

- 10 Staff's preferences consist of the following:
- 11 Developer and subscriber bear risks
- Unsubscribed portion attributed to all ratepayers at the as-available avoided cost price (market)
- 14 Non-Payment of subscriptions (uncollectibles) is borne by the Developer/Owner
- 15 Performance guarantees, including force majeure provisions, in contracts can
- 16 *limit risk*
- 17 As mentioned previously, CUB agrees that the developer and subscriber should bear the risks;
- 18 non-subscribers should not be held responsible for a developer's inability to secure customers.
- 19 However, CUB is not certain that it is appropriate for the utility to buy power from the solar
- 20 developer at a market price. If the market price is higher than the resource value of solar (which
- 21 purportedly would inform the rate at which subscribers are paid), this might incent the developer
- 22 to leave unsubscribed capacity open. This might also be an issue if a utility-owned project is

UM 1746 – Comments of the Citizens' Utility Board of Oregon

⁴ See page 9 of Staff's design recommendation.