

**OPUC UM 1746 - SECTION 3 OF HB 2941 – COMMUNITY SOLAR PROGRAM DESIGN DOCKET
PROPOSAL FORM FOR WORKSHOP 1**

- **Submitter:**

Northwest & Intermountain Power Producers Coalition (“NIPPC”).

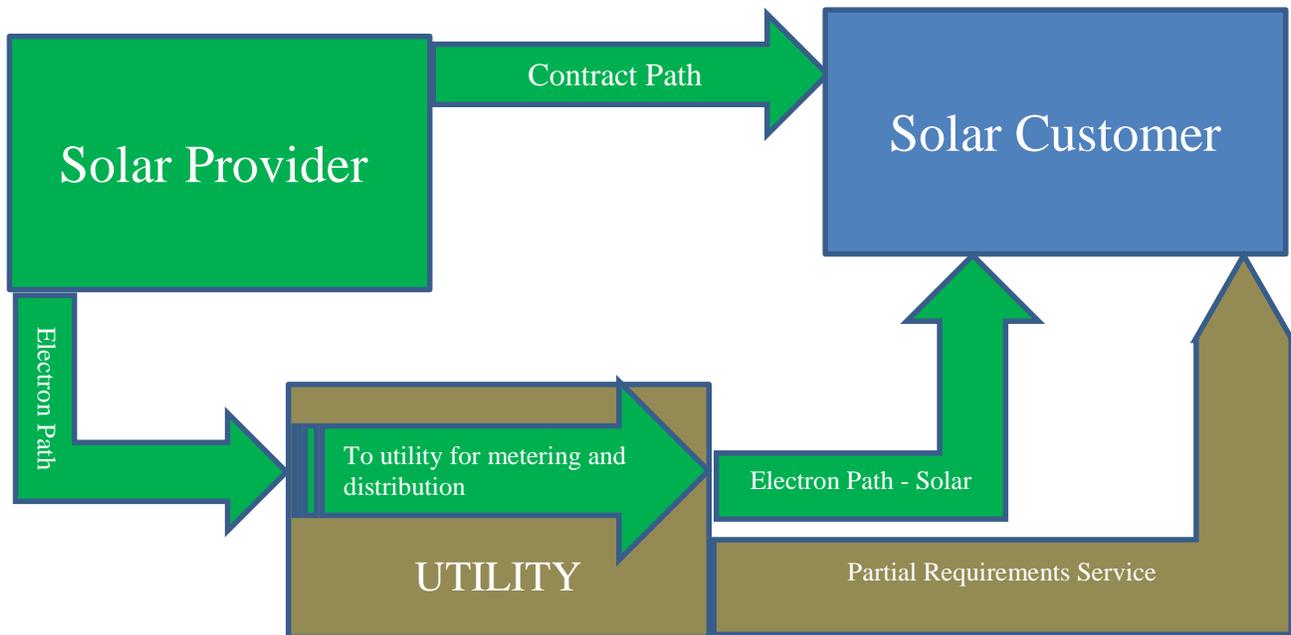
- **Brief definition for Community Solar in Oregon:**

Community Solar should promote systematic deployment of distributed solar power in Oregon. The program would enable individual customers or aggregations of customers to purchase power directly from specific solar facilities owned by non-utility third parties.

- **Describe your Community Solar Program Design Proposal:** *Please incorporate all parties involved (including, at a minimum, utilities, subscribers, solar owner/developer), parties’ roles/relationships, and how the program would operate among the parties (including, at a minimum, the flow of money, RECs, and energy between parties). How did you incorporate the statutory considerations in your design: (1) an individual ratepayer’s access to a specific solar resource, (2) cost to subscribers, (3) cost to non-subscribers, (4) role of the utilities? How does your proposal balance resource value benefits, costs, and impacts to ratepayers?*

The Community Solar Program should be designed to allow non-utility third parties (“Solar Providers”) to compete with each other and the utility to provide solar power to individuals or communities under the Community Solar Program. Individual ratepayers or aggregated ratepayer communities (“Solar Customers”) may contract directly for service with the Solar Provider, or may elect to manage the community solar program through an Electricity Service Supplier (“ESS”). The Solar Provider will deliver power to the utility for metering and re-delivery to the customer. The utility will provide partial requirements service to the Solar Customer at standard rates, along with a small fee covering utility administration expenses. The ownership of the metered RECs will be determined in the negotiations between the solar provider and the community program participants.

Visual depiction of your Community Solar Program Design Proposal: *Please illustrate the role of parties (including, at a minimum, utilities, subscribers, solar facility owner/developer) and the way in which various transactions between parties would operate (including, at a minimum, the flow of money, RECs, and energy between parties).*



- **Questions related to Community Solar Attributes and Statutory Considerations:**

1. **Ownership structure:** *Who will develop, own, and maintain the solar facility? Who will own the RECs and power? What is the utility’s role in this ownership design?*

Third party developers will develop, own and maintain the solar facility. The utility shall have a role in verifying that interconnection facilities have been appropriately designed and installed in the same manner as currently done for customer self-generation. Utility shall be responsible for metering the solar output and redelivering the power to the customer(s) on a transmission-only basis. The ownership of the metered RECs will be determined in the negotiations between the solar provider and the community program participants.

2. **System characteristics:** *Does your proposal include constraints to system characteristics, such as size, location, interconnection level, etc., on the community solar facility?*

No, we propose no constraints at this time.

3. **Eligibility criteria:** *What criteria to determine customer eligibility (e.g., customer class, location, size) are included and are there carve-outs for specific groups (e.g. low income, multi-family, renters)?*

Any retail customer and any aggregation of retail customers is eligible. Programs designed to subsidize specific groups (low income, etc.) can be operated on a separate basis, through tax credits or similar mechanisms.

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4. **Length and terms of contracts:** Describe each agreement between parties in your proposal, including the parties' commitments, term lengths, penalties (e.g. early termination), and agreement formation (e.g. RFP)?

The solar resource owner and the community customers should be free to enter into agreements for any term length they desire, although NIPPC understands that it may be useful to have set time periods for participation to facilitate program planning

5. **Subscription price calculation:** Is the subscription price based on a capacity product (kw) or an energy product (kwh) and how is the price determined? Provide a simplified example showing cost assumptions (e.g. capital, operational, and maintenance costs, program administration costs, costs related to data collection and modification to utility billing systems).

Subscription price should be set by negotiations with the Solar Provider.

6. **Bill credits calculation.** *How are bill credits determined and applied (e.g. retail rate, avoided resource cost rate, avoided power cost rate, future resource value of solar rate, etc.)? Provide a simplified example.*

NIPPC does not have an opinion on this question at this time except to note that appropriate credits must be designed to ensure that the customer is not paying twice for generation service – once to the utility for the otherwise applicable rate, and once for the power provided by the solar provider.

7. **Minimizing Cost-Shifting:** *Break out the cost components that will be charged to subscribers. How does this allocation of cost components minimize costs to non-subscribers?*

Customers will pay the Solar Provider directly for service received. This minimizes costs to non-subscribers and to the utility. In addition, this program largely can be undertaken pursuant to existing rules set out in Division 38 – Direct Access, which provides a mechanism for avoiding cost shifting.

8. **Risk assessment:** *Who bears the burden of risk in the following categories and how is this risk mitigated: (1) solar facility system performance, (2) subscription rate and fluctuations in under or over subscription, (3) Other risk categories?*

The Solar Provider and the customer will determine how these market and performance risks will be managed as part of their bilateral contracts.

RESERVATION OF RIGHTS AND COMMENTS

NIPPC submits this initial proposal in response to Staff's request for submissions to be made on an extremely accelerated timeframe. NIPPC expressly reserves the right to modify any positions expressed in this submission as the docket develops.

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