

April 6, 2020

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Filing Center

Re: UM 1930—Reply to Staff Report on Community Solar Program Combined Tariff Filings on Program Interconnection Process and Power Purchase Agreements

PacifiCorp, d/b/a Pacific Power (PacifiCorp) provides these brief comments in response to the Public Utility Commission of Oregon (Commission) Staff Report on Community Solar Program (CSP) Combined Tariff Filings on Program Interconnection Process and Power Purchase Agreements, issued April 1, 2020 (Staff Report).

In the Staff Report, Staff addressed eight outstanding issues in the CSP Purchase Agreement submitted by PacifiCorp, Portland General and Electric (PGE), and Idaho Power Company. On April 3, 2020, the Renewable Energy Coalition (Coalition) filed its comments in response to Staff's Report. The bulk of the Coalition's comments focus on Staff's Issue 8: "Conditional Designation of Network Resource (DNR) Notice Provision." The provision at issue is included in Section 3.1 of PacifiCorp's form of CSP Purchase Agreement as well as the form of CSP Purchase Agreement submitted by PGE. Staff recommends acceptance of this provision in both of PacifiCorp's and PGE's forms of CSP Purchase Agreement, and further recommends Idaho Power Company modify its form of CSP Purchase Agreement to include a similar provision.¹ In its discussion of this provision in PacifiCorp's and PGE's forms of CSP Purchase Agreement, Staff accurately describes its intent, as reproduced below.

The CSP Interconnection Process is designed to minimize the risk that ratepayers will bear the expense of Network Upgrades to transmit CSP Project energy. However, some risk remains because a CSP Project and the utility must execute a CSP Purchase Agreement before the utility's Merchant Function can submit a TSR to its Transmission Function. And, in some circumstances, it is only when the utility's Merchant Function submits a TSR that the utility can determine whether Network Upgrades are needed to transmit the CSP Project's output to load. . . . The Conditional DNR Notice provision that PAC and PGE include in their CSP Purchase Agreements is a reasonable approach to creating a procedural "safety valve" if a project triggers significant deliverability-driven Network Upgrades. . . . **[T]he Conditional DNR Notice provision allows a Commission to decide how Network Upgrade costs triggered by a TSR should be allocated.**²

¹ Staff Report at 15.

² Staff Report at 12-13. (emphasis added)

The Coalition, alternatively, continues its mischaracterization or misunderstanding of the provision, and in a manner that overlooks (or ignores) the plain language of the provision. In its latest comments, the Coalition complicates the matter by confusing the interconnection and transmission service terminology, concepts, and processes. In addition, the Coalition's arguments relating to the utilities' qualifying facility contracting processes, established in prior and wholly unrelated dockets, are irrelevant and many are incorrect. It is not possible to respond here in detail to the Coalition's final attempt to mischaracterize the intent of this provision and hyperbolize the associated consequences to the success of Oregon's Community Solar Program. Instead, PacifiCorp will refer the Commission again to its prior comments submitted in defense of this provision, as well articulated in Staff's Report.

With respect to the remaining seven issues, for the reasons stated in its March 10, 2020 reply comments,³ PacifiCorp believes that the proposed form of CSP Purchase Agreement currently before the Commission includes terms and provisions that appropriately balance the dual objectives of facilitating a successful CSP in Oregon while sufficiently minimizing cost-shifting to PacifiCorp's non-participating customers. While PacifiCorp sincerely appreciates Staff's careful review of the company's proposed form of CSP Purchase Agreement, PacifiCorp respectfully disagrees with Staff's recommended modifications presented in Issues 1-7 of the Staff Report. Notwithstanding this disagreement, PacifiCorp understands the need to promptly implement Oregon's CSP and will therefore not repeat its positions. To that end, PacifiCorp is prepared to promptly implement the Commission's final decision.

Finally, in addition to the recommendations in the Staff Report, Staff recently asked if PacifiCorp would clarify in the first sentence of Section 9.1 of the form of CSP Purchase Agreement that the Payment for Unsubscribed Energy provision refers to *business* days rather than calendar days. PacifiCorp agrees to make this clarifying change to the language, as set forth below (emphasis added).

Section 9.1 Payment for Unsubscribed Energy. No later than the 20th day of the month or ten (10) business days after receiving kWh data from Program Administrator regarding the prior month's Subscribed Energy amount and Unsubscribed Energy amount, whichever occurs later, PacifiCorp will send to Program Administrator payment for Project Manager deliveries of Unsubscribed Energy to PacifiCorp, together with computations supporting such payment.

PacifiCorp will include this change to its form CSP Purchase Agreement in its responsive filing following the Commission's final decision.

PacifiCorp appreciates the opportunity to provide these comments, as well as the efforts of Staff to identify areas of consensus and compromise among stakeholders through its solicitation of written comments and hosting of workshops.

³ Docket No. UM 1930, PacifiCorp Reply Comments, filed March 10, 2020.

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Respectfully submitted this 6th day of April, 2020.



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