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Solar Parties Comments in Response to Staff Memos for March 10 Public Meeting 3-9-2020

The Oregon Solar Energy Industries Association and Coalition for Community Solar Access (hereto after referred to as the "Solar Parties") submit these comments for consideration by the Oregon's Public Utility Commission (Commission) and associated stakeholders engaged in the State's Community Solar Program ("Program"). The following comments are in response to consent and regular agenda items relating to UM 1930 for the March 10 Public Meeting.

Consent Agenda (CA) 1¹

- Summary
 - Staff recommends adopting the PA recommendation to pre-certify three projects: Pilot Rock 1 (1.98 MW) in PAC territory; and Skyward Solar (2.5 MW) and Red Prairie (2.2 MW) in PGE territory
- Solar Parties position
 - The Solar Parties support these recommendations.

RA2²

- Summary
 - Staff's recommends the process of "conditional pre-certification" to be used for projects that are otherwise eligible for pre-certification, but that hold executed PURPA PPAs which prevent them from moving forward. Notably, Staff suggests these projects have six weeks to terminate their PPA with PGE, in order to achieve official precertification. Staff also suggests the PUC could consider taking steps to help bring the issue to quicker resolution, by directing Staff to act as a facilitator, host discussions, monitor progress, and provide updates to the PUC.
- Solar Parties position
 - The Solar Parties generally agree with Coalition's position that "conditions" for precertification are unnecessary since, practically (and legally) speaking, no project can or should move forward with new power contracts while still under contract with PGE via a PURPA PPA.³ However, we are not opposed to the use of "conditional" pre-certification under this circumstance in order to protect public perception and the integrity of the program. To be clear, the Solar Parties do not support signing up subscribers before an

¹ https://oregonpuc.granicus.com/MetaViewer.php?view_id=2&event_id=420&meta_id=24714

² https://oregonpuc.granicus.com/MetaViewer.php?view id=2&event id=420&meta id=24740

³ Coalition comments (3-6-2020), <u>https://edocs.puc.state.or.us/efdocs/HAC/um1930hac162715.pdf</u>

outstanding PURPA PPA has been terminated. Additionally, the Solar Parties recommend that "conditional" pre-certification be used as justification for the PUC to direct a suspension of interconnection milestone requirements for these projects until the issue is resolved, and to likewise delay the start of the 18-month clock requiring projects to become certified. The Commission's protection for both of these elements will reduce the cost and risk associated with this unanticipated process.

- The Solar Parties support engagement by the Commission (and Staff) on this issue to encourage a speedy and fair resolution and good faith effort by all parties. As noted below and highlighted in the Coalition comments⁴, PGE has not yet demonstrated a willingness or interest to work with project owners and other stakeholders on this highly consequential issue.
- The Solar Parties are generally OK with a 6-week target for resolving the PPA termination issue, but with the caveat that more time be enabled if justified. For example, based on PGEs actions thus far, the Solar Parties are concerned that PGE will not act constructively and could therefore prevent an opportunity for resolution within the allotted timeframe. As noted by the Coalition, the Solar Parties and individual companies have reached out to PGE over the past few weeks in an attempt to make official requests for PPA terminations and/or simply engage in dialogue on the issue, to which there have been no responses. Further, the Solar Parties continue to learn of solar QF market experiences where PGE did not oppose, and even moved relatively quickly, terminating PPAs based on a developer's request. This inconsistency with what the Solar Parties view as clear precedent is concerning.
 - There are additional legal and policy arguments that have already been made and will be made on the questions of whether PGE can and should allow for the termination of PURPA PPAs for projects pursuing capacity in the community solar program. That said, given the lack of communication from PGE, the Solar Parties provide the following brief responses to verbal comments made during the February 25 Public Meeting⁵:
 - PGE stated several times its "willingness to work with Commission Staff and developers in the coming weeks ... to seek a solution that supports the success of the community solar program". The Solar Parties have yet to see that "willingness" in action. Further, allowing these projects to terminate their PPAs is a clear step toward supporting the success of the program.
 - PGE stated that they had acted quickly in implementing a "creative and last-minute idea" to flip PURPA projects for their own applications into the program. However, now PGE is stalling on requests by developers to do something similar (i.e., convert PURPA projects into community solar projects).
 - PGE stated it's "important to exercise our [PGE's] rights under existing contracts" to protect cost impacts on non-participating customers. The

⁴ Ibid.

⁵ February 25 Public Meeting. Video. (time: 11:00 – 16:20) <u>https://www.oregon.gov/puc/news-events/Pages/default.aspx</u>

Commission Order 19-392 has already considered the costs and benefits of the community solar program under its current capacity allocation and associated credit rate and administrative costs. PGE may disagree with the Commission's decision, but that does not mean PGE can or should unilaterally act to undermine an official policy decision by the State.

RA3⁶ / RA4⁷ / RA5⁸

- Summary
 - Staff seeks an extended duration (i.e., end of the month) to review and provide recommendations regarding each utility's proposed tariffs. (Each agenda item is for a different utility)
- The Solar Parties position
 - The Solar Parties support an extension of this review/approval process. That said, the utilities appear to be introducing new elements to the interconnection documents, similar to the PPAs, that create new uncertainties and concerns for potential Project Managers. The Solar Parties recommend the utilities be given a deadline of March 17 to respond to interconnection elements raised by stakeholders in the March 10 comment period. This will allow for more constructive recommendations by Staff (which aims to file comments March 20), while giving all stakeholders more content to respond to ahead of the April 7 Public Meeting where these tariffs will be reviewed the Commissioners. In addition, the Solar Parties request that Staff make a request to the utilities to redline existing QF PPA contracts and small generator OAR interconnection documents also by March 17 to more clearly highlight the changes being proposed in all tariffs.
 - The Solar Parties are frustrated by the amount of changes being introduced in these documents that go above and beyond straightforward edits needed to address community solar program elements. The utilities should not be introducing new concepts in these tariffs that haven't been fully vetted. The program launched over a month ago and the goal should be to leverage as much as possible from existing standard tariffs and associated documents of which the market has experience. A simple redlining of those documents would be the easiest and most transparent manner to capture any changes related to specific needs in the community solar program.

Respectfully submitted,

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⁶ https://oregonpuc.granicus.com/MetaViewer.php?view_id=2&event_id=420&meta_id=24729

⁷ https://oregonpuc.granicus.com/MetaViewer.php?view_id=2&event_id=420&meta_id=24731

⁸ https://oregonpuc.granicus.com/MetaViewer.php?view_id=2&event_id=420&meta_id=24734