



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

September 7, 2021

Dear Chair Decker, Commissioner Tawney and Commissioner Thompson,

Oregon Solar + Storage Industries Association (OSSIA) would like to express our support for Staff's recommended modifications to the CSP Program Implementation Manual (PIM). It is evident that Staff has taken into consideration Stakeholder feedback from both the Public Workshop that took place on June 4th and the Special Public Meeting on August 26th and has worked to address the identified program challenges in these modifications. There are three sections of the recommended changes we comment on here that we believe could be further improved. We commend Staff for their thoroughness in these proposed modifications and are hopeful that Tier 2 of the program will be better supported through this effort.

7. Adjust Eligibility Criteria for the Program Carve-out

OSSIA is pleased to see expanded criteria for the Program Carve-out section of the CSP as this sector of projects seeks to serve many of the program's goals and has proven to be a difficult bucket to fill during Tier 1 of the program.

Under the current program rules, carve-out capacity is reserved for projects that are either sized 360 kW-AC or less or that have a public or non-profit entity as a Project Manager. As stated in Staff's rationale for this section, this has resulted in involved community groups acting as Project Managers which can ultimately be a major strain on resources, capacity, and ongoing support from the community group. Staff's recommendation under Section b that a Project Manager *or* project partner meet certain criteria is a major boost to these projects as it lifts the brunt of the development and administrative obligations from the community group, freeing them to focus on the community benefits that the project seeks to serve. While we believe this is overall a positive change, we also would like to see the PIM allow community groups to continue to participate as the Project Manager as was permitted during Tier 1 of the program as this is a preferable model for some groups.

In addition, OSSIA urges staff to include a definition of the term 'project partner' in the PIM modifications to increase clarity surrounding this new relationship.

Subsection b and c both mention the requirement that a nonprofit be a 501(c)(3). Although we do understand the rationale to narrow these requirements to organizations that serve the carve-out's



goal of providing notable community involvement/benefits, there are many other types of non-profits that serve this same goal. For example, churches do not fall under this category. OSSIA fears that limiting the definition of a non-profit in the carve-out requirements will limit the number and types of non-profits who may choose to participate. We urge staff to leave the definition of non-profit broad as to encourage diversity in the communities that carve-out projects serve. For example, the requirement could be any organization under the 501(c) umbrella.

12. Define and Limit Participation of Affordable Housing Providers as Low-Income Participants

The 10% low-income requirement for Tier 1 projects has been notably hard to fill. This was illustrated by the 12-month waiver that was put in place for projects seeking certification but had not yet filled that requirement. Affordable Housing Providers have given Project Managers an avenue for filling this requirement in a timely manner while also serving the exact population that the CSP seeks to serve. Although we do recognize Staff's rationale that low-income individuals should be given the opportunity (i.e. reserved project capacity) to participate if they should choose to, we believe this may be making assumptions that recruitment efforts will greatly increase without this assumption having been proven in practice.

OSSIA commends Program Staff for addressing some of the recruitment barriers for low-income participants, such as utility bill arrearages, but we do not yet know if these improvements will make recruitment of low-income individuals easier during Tier 2. There are many other factors to consider that still present challenges to recruitment outside of realized benefits, such as program complexity, participant education and program awareness.

OSSIA recommends two solutions that will reserve low-income individual capacity while also giving Project Managers greater flexibility given the possibility that program changes, PIM changes and new recruitment efforts will not be sufficient to meet the proposed 5% low-income individual requirement:

1. Specify that at least *a quarter* of a project's required low-income capacity (2.5% of total project capacity) must be filled by individual low-income subscribers rather than by housing providers and;
2. Impose a time limit on that 2.5% requirement. For example, given a good faith effort to fill the 2.5% requirement with low-income individuals, if the 2.5% is not subscribed to low-income participants within 6 months of project precertification, Project Managers would then be allowed to fall back on an Affordable Housing Provider as the low-income participant for the full 10% requirement.

We believe these solutions will allow the program to pilot the expanded recruitment of low-income individuals while still offering Project Managers flexibility in the event it is needed.



9. Pursue a Simplified Interconnection Project for Small Projects

OSSIA would like to underscore the importance of Section 9 for the viability of Small Projects within the carve-out. As Staff mentioned in their rationale, the interconnection process for CSP projects makes sense for large general market projects but adds yet another layer of complexity and costs for smaller projects who may be accustomed to the interconnection process akin to net metering. In addition, since smaller projects fall under the current net metering size, technically it makes sense to allow them to use the same interconnection process that net metered projects use.

OSSIA recommends that all carve-out projects under 360 kW and all carve-out projects under 2 MW that would come close to the definition of a net metered commercial project (located near load of at least one of the subscribers) be treated as net metered projects for the interconnection process. Allowing most carve-out projects the ability to interconnect through the simpler net metering process would give these projects a much-needed boost towards viability.

Conclusion

With a proposed increase in residential requirements for Tier 2 of the program, OSSIA is overall pleased to see PIM modifications that support this requirement while also supporting Project Managers and Program Staff in the processes that make this possible. Thank you again to the Program Administration and PUC Staff for hearing the myriad of voices that have taken the time to express their thoughts and suggestions for a better program.

Sincerely,

A handwritten signature in black ink that reads "Angela Crowley-Koch". The signature is written in a cursive, flowing style.

Angela Crowley-Koch

Executive Director