



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

September 17, 2021

RE: Docket No. UM 1930 – Community Solar Program Tier 2 program

Dear Chair Decker, Commissioner Tawney and Commissioner Thompson,

The Oregon Solar + Storage Industries Association (OSSIA), and the Project Managers (PMs) it represents, are grateful for the work of staff and the Program Administration team in proposing improvements to the Community Solar Program (CSP) for Tier 2 capacity. OSSIA welcomed the workshop staff held, the public meeting, and the other opportunities to weigh in on how to make the program succeed.

OSSIA appreciates the reminder in the staff memo about the overarching goal of the program: to establish an equitable opportunity for consumers that have not been able to access customer generation opportunities and incentives. Programs designed to address inequities – whether the issue is education, housing, health care, or energy – require added funding and special policy provisions. OSSIA believes the staff proposal is well thought-out, balanced, and will advance the overarching goal of the program.

During the last public meeting, OSSIA heard concerns about large commercial subscribers and would like to address some of those concerns here. In the context of CSP, “large commercial subscribers” mainly means public entities including community colleges and cities. CSP increases access for these public entities since it is challenging for them to fund the upfront cost (through taxpayer dollars or tuition) to install net metered systems. When these entities save on their utility bills, those savings are passed along to Oregonians – including low-income ratepayers – through local tax savings, tuition savings, etc.

CSP is unlike any other clean energy program that exists in Oregon today; the equity goal is unique and the structure to enable that goal is more complicated by magnitudes. For example, customers in the Blue Sky and Green Future programs pay a premium but in return do not need to sign contracts and there is no threat of an oversubscription penalty for participating in these simpler programs. PGE and PacifiCorp have invested – using ratepayer dollars - a great deal in marketing those programs through methods such as tabling at events and customers feel comfortable with these programs which have existed for over a decade. Green Tariff customers also pay a premium; while Green Tariff customers sign contracts, the program is much simpler for the customer – since individual meters are not involved – and there is no concern of



oversubscription penalties. The possibility of financial penalties are especially worrisome to public entities which make up most of the large customer base of the CSP.

The complications of the CSP for large customers mean uncertainty for those customers and for financiers of projects. For these reasons, PMs must provide a discount to large customers to demonstrate the value of participation in the program despite the extra obstacles inherent in the CSP. A discount not only increases the attractiveness of the CSP for the large customer, but also gives banks certainty that these customers will maintain their subscription for the decade-long obligation period and not leave a project with a large chunk of energy unsubscribed.

Large entities are backstopping the entire CSP and ensuring its survival as a program. Their participation creates certainty for projects and therefore makes it easier to take on “riskier” residential and low-income subscribers. OSSIA fears that making it more difficult to enroll large entities would erode stability in the program, making the new residential and low-income requirements proposed even more difficult to implement.

For these reasons, OSSIA strongly recommends that the Commission adopt the staff proposal in its entirety. Staff has very thoughtfully created a proposal that imposes new requirements but then provides funding to implement those new requirements. Adopting new requirements and equity goals without the accompanying 2% escalator and the rate structure laid out in the proposal will make an already challenging program more difficult.

OSSIA is enthusiastic about the next phase of the CSP program. Small changes to the program could make a big difference in the make-up of CSP subscribers, the subscription levels of low-income ratepayers, and the overall effectiveness of the CSP program to increase access to solar. We look forward to working with the PA team and PUC staff to continue to improve the program.

Sincerely,

Angela Crowley-Koch
Executive Director