

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
UM 1930**

In the Matter of

PUBLIC UTILITY COMMISSION OF  
OREGON,

Community Solar Program Implementation.

Comments of Portland General Electric  
Company regarding Staff proposal to add  
50MW of capacity above the Community  
Solar Program cap

**I. INTRODUCTION**

Portland General Electric Company (PGE) submits these comments to the Public Utility Commission of Oregon (OPUC or Commission) Staff’s (Staff) proposal to expand the Oregon Community Solar Program (CSP) capacity tier for carve-out eligible projects in the CSP. PGE thanks Staff for the inclusive and informative process that has led to this comment period and appreciates the hard work that has gone into developing the proposal and financials behind the proposal.<sup>1</sup> PGE is committed to ensuring that the Community Solar Program (CSP) provides fair value to all customers. We believe this program should benefit the community directly while balancing its costs to non-participating customers.

Based on current program data, we have observed that projects led by non-profit developers offer greater benefits to participants and better align with the program's vision of being a community-based resource. In contrast, projects from for-profit developers provide fewer direct benefits to customers.

Information from this docket and the Oregon Community Solar Website shows that participants in for-profit projects receive less direct compensation – that is, that the non-profit and government supported projects provide a greater bill reduction. The CSP structure allows developers to charge subscription rates – money that goes directly to those developers – that significantly reduce the customer bill reduction.

---

<sup>1</sup> The substance of the proposal has shifted significantly over time between Staff’s original proposal in April 2025 (an expansion of as little as 10MW of carve out projects) to the presentation provided on August 6, 2025. PGE understands Staff’s proposal to be one that adds 50MW of capacity to the CSP, which would enlarge the program from its current cap of 160MW to be 210MW. The nature of this expansion was confirmed by Joe Abraham during the August 6, 2025, presentation. The additional capacity would be available only for carve-out eligible projects. The comments provided herein reflect that understanding.

This is a significant concern, especially because the program is supposed to incentivize the development of community solar projects, with the understanding that the value created would stay within the community or imbue to the participants.

PGE wishes to take this time, where the Commission is evaluating whether to expand the CSP, to highlight multiple issues with the program as constructed and to focus the expansion on the projects that hew to the spirit of the law. This focus will help limit the total participation in the CSP by large, out-of-state and international firms—many of which are also Qualifying Facility developers in their own right<sup>2</sup>—that divert the value that is intended for participants, the community, and the electrical system to which all ratepayers contribute, to the significant portfolios of those same firms. Companies like Luminance, Sunthurst Energy, Hawthorne Renewables, Arcadia, and SolRiver Capital—large firms with portfolios in the billions of dollars—have multiple projects operational or in some stage of development and make up a substantial portion of the community solar project base.<sup>3</sup> PGE believes that the CSP does not need to be expanded overall to meet its goals if the increase for carve-out projects is structured appropriately. PGE supports the following CSP design considerations:

- Increase the "carve-out" capacity by directing the program administrator to authorize revisions to the pre-certified queue and to reorder the queue on the basis of missed milestones or other failures on the part of the developer. Queue squatting should not be allowed at the expense of CSP projects that are ready to develop.
- Carve out eligible projects developed by local non-profit developers that demonstrate federal, state and local grant funding alignment should be allowed to jump over the pre-

---

<sup>2</sup> Qualifying facilities under the Public Utility Regulatory Policies Act of 1978.

<sup>3</sup> An investigation of the list of community solar project owners and operators finds that nearly 50% (39 of 79) of the total number of CSP projects that are pre-certified or certified are owned or managed by these large, out-of-state and, even international, firms with billions of dollars of solar facilities in their portfolios. *See*, ORCSP Monthly Project Report for July 2025, available here: <https://www.oregoncsp.org/monthly-reports/> *See* also, the financial workbook provided by the Oregon Community Solar Program for the August 6, 2025, workshop, Monthly Report July 2025 tab, available here: <https://edocs.puc.state.or.us/efdocs/HAH/um1930hah339062035.pdf>.

Luminance is owned by Brookfield Renewables, a company that describes itself as one of the world's largest publicly traded platforms for renewable power and is a Bermuda-based limited partnership with revenues over \$1.5 billion in the first quarter of 2025.

Sunthurst Energy, LLC has completed installations in five states, with eight utilities, and has managed over 150 solar projects through development to COD with as many as 30 projects running concurrently. Its headquarters are in Glendora, California.

Hawthorne Renewables bills itself as a "fully serviced utility-scale renewable energy development company with global experience and gigawatts of projects over two continents" and operates within eight states. It is headquartered in Phoenix, Arizona.

Arcadia is, according to their webpage, a "global utility data and energy solutions platform" that manages over 2 gigawatts of community solar capacity. Its offices are in Denver and Chennai, India.

SolRiver Capital provides "early state development capital, mid-state bridge finance, [and] construction equity" and hosts over 1.3GW of solar project in North and South Carolina, Georgia, New York, Ohio, Oregon, Indiana, Virginia and Pennsylvania. It is headquartered in Denver.

certified projects in the non-carve out queue to align with the original community-minded intent of the original legislation.

- The 160MW program should not be expanded beyond the initial cap until:
  - All of the capacity under the cap is certified and operational; and
  - The Commission has investigated more fully the costs and benefits of the CSP and the need for continued cross-subsidy of the program.

## II. STATUTORY FRAMEWORK AND HISTORY

ORS 757.386 was adopted as part of Senate Bill 1547 in 2016. The main body of that legislation was dedicated to the expansion of the renewable portfolio standard tiers for the state’s investor-owned utilities and to the elimination of coal-based energy from customer rates. The community solar provisions were informed by several years of policy development including House Bill 2941 (2015) and docket UM 1746, Solar Program Designs and Attributes, at the OPUC.<sup>4</sup> It was the attractiveness of developing true community solar, where churches, low-income housing, schools or other interest groups could band together as a community to build shared systems.<sup>5</sup> Instead, what developed was not a shared resource, but a subscription model program that allows well-financed, out-of-state developers<sup>6</sup> to build “community” solar projects and have customers subscribe to those systems, at once insulating customers from risks associated with shared systems, and also providing greater financial certainty to developers through the use of subscription fees that nearly match the bill credits provided to customers.<sup>7</sup>

The statutory framework provides that projects should ensure that project operators and owners share in the costs and benefits of community solar.<sup>8</sup> Yet the staff memorandum of May 21, 2025, utilizes, as part of the justification for the expansion of the carve-out capacity that the “pipeline” of carve-out eligible CSP projects in development, being potentially greater than the remaining unallocated carve-out capacity in the program would place many of those projects “at risk” without

---

<sup>4</sup> See the Report to the Legislative Assembly Re: Attributes for the Design of a Community Solar Program, October 26, 2015, suggesting a definition of community solar that included the concept of a “shared solar resource” where customers shared in the “costs, risks and benefits” of solar and indicating that programs “should shift no costs onto nonparticipating ratepayers.” Available <https://edocs.puc.state.or.us/efdocs/HAH/um1746hah131652.pdf>.

<sup>5</sup> See, e.g., Oregon Solar Energy Industries Association support letter for HB 4036, A-engrossed (2016) describing the community solar program as one of “shared systems.” (available at <https://olis.oregonlegislature.gov/liz/2016R1/Downloads/CommitteeMeetingDocument/86826>) HB 4036 was the earlier vehicle for legislation that ultimately became Senate Bill 1547.

<sup>6</sup> *Supra*, fn. 3.

<sup>7</sup> *In the Matter of Public Utility Commission of Oregon, Community Solar Program Implementation, UM 1930*, OPUC Order No. 19-392, Appendix A, page 34. As shown in the model, except for the low-income rate, the subscription fees paid by enrolled customers to the developers are higher than the renewable avoided cost provided in Staff Presentation slides, slide 13.

<sup>8</sup> ORS 757.386(1)(a): “Community solar project” means one or more solar photovoltaic energy systems that provide owners and subscribers the opportunity to share the costs and benefits associated with the generation of electricity by the solar photovoltaic energy systems.

the addition of carve-out capacity.<sup>9</sup> PGE asks whether ensuring capacity for developers is necessarily consistent with the cost and risk sharing contemplated by the statutory framework, and if it is, how the risk should be borne.

ORS 757.386 sought to protect non-participating customers in three ways. First, the statute directed the Commission to adopt rules that minimized the shifting of costs between participants and nonparticipants. Second, the statute directed the Commission to protect the public interest.<sup>10</sup> Third, the statute directed the resource value of solar be used for the crediting mechanism – something that would help ensure the first two provisions by avoiding cost shifting and protecting the public interest.

The Commission responded to these directives by adopting rules specifying that a bill crediting rate that was “based on the resource value of solar” should be used unless otherwise determined by the Commission to be set at a different rate.<sup>11</sup> In its order adopting the final elements for the community solar program,<sup>12</sup> the Commission clearly recognized the need to develop a community solar program that provided a “meaningful opportunity” for customers to participate while recognizing that, statutory direction to the contrary, the “cost of *initially funding and commencing* the program . . . means that non-participating customers must bear some program costs.” (emphasis added)<sup>13</sup> Because of this, “in order to . . . *stand up the CSP*” the Commission found “good cause to grant *an exception* to the use of resource value of solar” for the bill crediting. (emphasis added)<sup>14</sup> Now that the CSP has been “stood up,” and over 80MW are operational and billing<sup>15</sup> with the program being functionally operational for nearly six years, PGE believes that an expansion of the CSP cannot be contemplated without the Commission reevaluating whether an expansion of the program size by nearly a third should continue to involve costs for “initially funding” or an “exception” to the use of the resource value of solar. PGE believes that adequate time has passed, experience gained, and capacity developed for the program to mature and stand on its own as designed.

The electric energy landscape has changed significantly in the years since the passage of ORS 757.386 in 2016, including with regard to community energy projects. One critical

---

<sup>9</sup> Staff Draft Proposal for Expansion of Carveout Capacity and Request for Comment, UM 1930, May 21, 2025, page 2.

<sup>10</sup> ORS 757.386 (2)(b)(B) and (D). PGE notes that the legislature also sought to protect customers from “undue financial hardship” where electric utilities owned the project. Thus, out of four specified provisions that the commission was to adopt pursuant to the legislature’s direction, three of them sought to broadly protect customers. Only one dealt with creating incentives to consumers to be owners or subscribers.

<sup>11</sup> OAR 860-088-0170 (1)(a). PGE notes that this provision is also consistent with ORS 757.386(6)(b) that allows the Commission to adopt a different rate for good cause.

<sup>12</sup> *In the Matter of Public Utility Commission of Oregon, Community Solar Program Implementation*, UM 1930, OPUC Order No. 19-392.

<sup>13</sup> *Id.* at page 2.

<sup>14</sup> *Id.*

<sup>15</sup> The financial model provided by Staff for the August 6, 2025, workshop estimated 147MW in projects that are pre-certified, certified or operational.

component of the landscape that has changed is the obligation for utilities to assess, as part of the Clean Energy Plans (CEP) required by ORS 469A.415, the potential to offset energy produced by fossil fuels, through community-based renewable energy projects (CBRE). In PGE's 2023 Integrated Resource Plan (IRP)/CEP, PGE included a target for CBRE resources of 155MW by 2030 and is soliciting offers for CBRE resources through the end of 2025. PGE is conducting this request for offers (RFO), informed by engagement with and input from community representatives, PGE's Community Benefits and Impacts Advisory Group, potential bidders and Staff.<sup>16</sup> Within the 2023 CEP/IRP, PGE conducted a CBRE potential study and incorporated the results into portfolio analysis to assess the contributions of these resources toward meeting the system requirements and providing community benefits. It is this type of analysis that should be used to see whether and how community-based energy can support the clean energy transition. This type of analysis, and these types of energy projects, were simply not present in the policy landscape in 2016. Since 2016, PGE has also launched a series of customer distributed energy resource programs which figure prominently in the PGE's 2024 Distribution Plan. This Plan shares PGE strategy to develop and operationalize distribution-sited resources. It is also true that there exist more options for renter participation in a clean energy future given the evolution of PGE's resource mix, new opportunities to reduce price impacts on low-income customers through bill credits via the introduction of income qualified bill discounts (IQBD), and new, additional, direct install energy efficiency programming with significantly increased energy efficiency efforts at the Energy Trust of Oregon and pursuant to ORS 757.054.

### **III. COSTS OF THE CSP ARE EXCESSIVE FOR THE ENERGY RECEIVED**

Staff estimated that the monthly cross subsidy for PGE customers for the expanded CSP would be 33 cents (with a maximum, over the 20-year term of 54 cents) for each non-participating customer.<sup>17</sup> The estimated monthly bill amount may be small for each customer on the basis of an average bill amount but CSP should be evaluated beyond the average monthly bill for individual customers. A comprehensive review is needed to determine if expanding the program aligns with the state goals for renewable energy, community projects, economic development and greenhouse gas reductions. Utilities are hearing from customers who are concerned about rising costs, as evidenced in part by the significant number of bills introduced in the 2025 legislative session, and the new ratemaking policies enacted to address these rate pressures.

The total amount per customer should not be the only issue for assessment: any small program will necessarily have a small impact on customer bills and the CSP is a relatively small program for the energy it provides to the system. The question that should be asked and answered is what is the

---

<sup>16</sup> PGE's 2023 CEP/IRP Update, page 16 (Available here: [https://downloads.ctfassets.net/416ywc1laqmd/39HTZudGPLrmFIKO6XHtJK/5a768ca4eceb2383abecdf2503decd83/2023\\_CEP\\_IRP\\_Update\\_FINAL.pdf](https://downloads.ctfassets.net/416ywc1laqmd/39HTZudGPLrmFIKO6XHtJK/5a768ca4eceb2383abecdf2503decd83/2023_CEP_IRP_Update_FINAL.pdf))

<sup>17</sup> Staff Presentation slides, Docket No. UM 1930, dated August 6, 2025, slide 9, showing the average monthly residential bill impact of 33 cents per month.

relative impact and cost for customers for a similar amount of energy? Staff’s presentation concluded that the per kwh cost for community solar in the Tier 2 capacity tranche is more than twice that of the same amount of energy coming from a qualifying facility receiving standard avoided cost and more than four-times the amount from providing that kwh in the form of energy efficiency savings from the Energy Trust of Oregon.<sup>18</sup> As structured, PGE’s share of the 210MW total proposed program-size is roughly 113MW of nameplate solar. For comparison (and while solar nameplate capacity and wind nameplate capacity cannot be compared directly for purposes of energy produced from each), PGE’s Wheatridge wind facility resulted in only a 12 cent price impact for 300MW nameplate of wind; which said a different way, the CSP, with the expansion, will ultimately cost customers nearly three times as much on a monthly basis for roughly one-third less nameplate capacity of GHG-free resources located within Oregon.<sup>19</sup> Given the current policy focus on affordability, PGE is prioritizing cost-effective methods to serve its customers, rather than expanding programs that come at significantly high cost. While community solar, qualifying facilities and utility scale renewable energy all contribute equally to greenhouse gas reduction, the cost to customers for community solar is notably higher per kilowatt. Although there is interest in distribution sited, community-focused projects, the substantial cost premium of the Community Solar Program compared to other alternatives raises questions that are unanswered in this proposal about the justification for its expansion beyond the current 160MW.

Also it is not surprising that the cross-subsidy bill impact is relatively small given that the bill impact is spread across 830,000 residential customers, whereas there are only a few thousand community solar subscribers for PGE.<sup>20</sup> Even then, the cross-subsidy might be justified if the savings to the subscriber were significant. PGE notes that the PUC does not regulate the community solar *subscription* prices and “project managers may structure their subscriptions to fit the needs of the project and its participants.”<sup>21</sup> The savings tool available on the Oregon Community Solar Program website warns potential subscribers that “This tool assumes 5% net savings through a general market subscription, but savings are not guaranteed” and further notes that “most” subscribers will save on their bills.<sup>22</sup> For a residential customer of PGE’s using the

---

<sup>18</sup> Staff Presentation slides at slide 13. For PGE, Community Solar Tier 2 energy at 13.3 cents, PURPA qualifying facility (QF) at 6.2 cents, Resource Value of Solar (RVOS) at 5.5 cents and cost-effective energy efficiency at 5.4 cents.

<sup>19</sup> Letter from Steve Storm to John Crider, December 7, 2020, Docket No. UE 370, compliance filing, page 2. (available here: <https://edocs.puc.state.or.us/efdocs/HPD/ue370hpd174153.pdf>)

<sup>20</sup> There are roughly 4,000 total subscribers across all three investor-owned utilities. Based on the allocation of capacity in the program, that would lead to roughly 2,200 total customers in PGE’s service territory. *See* Program Implementation Manual, Oregon Community Solar Program, version 20210112, page 6 (available here: <https://www.oregoncsp.org/wp-content/uploads/2021/03/PIM-v20210112.pdf>), and the Solar Photovoltaic Volumetric Incentive Program Report, 2025 Program Update, January 2025, page 3 (available here: <https://www.oregon.gov/puc/forms/Forms%20and%20Reports/2025-Solar-VIR-Program-Report.pdf>).

<sup>21</sup> Program Implementation Manual, Oregon Community Solar Program, version 20210112, page 39.

<sup>22</sup> Savings tool available at <https://www.oregoncsp.org/get-started/> (last accessed August 8<sup>th</sup>, 2025).

2023 residential average annual consumption of 9,746 kwh,<sup>23</sup> the potential savings tool<sup>24</sup> shows a yearly savings for a community solar program customer of \$55 a year or only \$4.50 a month. Thus, all PGE customers will pay 33 cents a month to allow a small number of customers to save \$4.50.

When a utility like PGE provides a bill credit to a CSP participant, it's essentially revenue that the utility doesn't collect. But the bill credit reduces the amount a customer pays without reducing the utility's costs to serve them. This difference is the cross-subsidy, meaning the costs to serve the CSP customer are shifted to other non-participating customers. The larger the program, the greater the cross-subsidy—paid by a smaller group of non-participating customers—will need to be.

A common misconception is that CSP offers "rooftop solar for those without roofs." This is partially true and also obscures the cross-subsidy associated with rooftop solar. A key difference however lies in how the power is delivered, used and consumed. When a customer with rooftop solar generates energy on-site, they avoid certain transmission and distribution charges. This is because some of the energy is consumed immediately, without needing to be transported across the grid. By contrast, a CSP participant still receives power from the grid and the community solar project simply adds its energy to that grid. The utility and its customers still incur costs to transmit and distribute power to the participating customer, even though that customer is receiving a bill reduction that would otherwise pay for those costs. From a cost perspective, a CSP participant is still a typical cost-of-service customer and the costs to serve them—per kilowatt-hour—remain the same.

As stated, participating customers get a bill credit that's far more than the actual value of the energy and the cost of its delivery from the project.<sup>25</sup> The program's legislative "avoided cost" framework<sup>26</sup> assumes that delivery costs are included in the overall price but under the current system, the community solar customer effectively bypasses several costs that other customers have to pay in full. This includes the transmission and distribution charges as noted, plus contributions to clean energy transition funds, bill discounts for low-income households, and energy efficiency programs. These costs are all built into the standard utility rate, which non-participating customers pay without any discount.<sup>27</sup> Advocates for CSP expansion during the August 6<sup>th</sup> workshop expressed that community solar provides additional benefits to all PGE customers that regular solar does not; however, Staff's financial model not only shows that the solar kilowatt is more expensive than solar power that comes from similarly sized and similarly sited facilities that sell power to PGE under PURPA, many of the benefits provided from those QFs, to the extent they exist, are the same as those from a CSP project, including being locally-sited, generating local employment in construction and providing environmental benefits. In some respects, the benefits

---

<sup>23</sup> Figure taken from the 2023 Oregon Utility Statistics book, page 8 found here <https://www.oregon.gov/puc/forms/Forms%20and%20Reports/2023-Oregon-Utility-Statistics-Book.pdf>

<sup>24</sup> <https://www.oregoncsp.org/get-started/>

<sup>25</sup> More than twice the amount according to Staff's calculation.

<sup>26</sup> As found in the specification of the use of the resource value of solar.

<sup>27</sup> ORS 757.386(2)(b)(D).

from a QF are better, because they would come without the cross-subsidy that the rest of PGE customers pay for that kilowatt. To sum up, Staff's presentation provides valuable information that shows that energy provided from the community solar program to help serve PGE's load costs 2 to 4 times the amount for other energy or energy savings; costs to nonparticipating customers are significant considering the cross-subsidization of a very limited number of other customers for their participation in the program; and the cost of cross-subsidy is significant when compared to the cost that customers would otherwise pay for Oregon-sited utility-scale renewable resources.

#### **IV. THE COMMUNITY SOLAR PROGRAM SHOULD NOT BE EXPANDED WITHOUT MORE ROBUST REVIEW TO DETERMINE WHETHER IT IS OPERATING AS INTENDED.**

At this moment in time, as the first customers who enrolled in the volumetric incentive program (VIR), under House Bill 3039 (2009), for photovoltaics are seeing their contracts expire, that program serves to inform the current CSP proposal.<sup>28</sup> The arguments for the VIR were similar to what is shared regarding the co-benefits of the CSP: job creation; Oregon's leadership in the renewable energy policy space; other places have the program; the CSP drives solar development; etc.<sup>29</sup> However, what the VIR proved mostly was that if customers were paid 65 cents per kwh instead of a net metering retail rate, plus the opportunity to take state tax credits and Energy Trust incentives, the capacity available would quickly become oversubscribed.<sup>30</sup> Even as the VIR program gradually reduced the per kwh incentive, capacity tranches continued to sell out.<sup>31</sup> For the installation of what amounted to one modestly-sized solar facility of 16.3 MW, PGE customers pay over one-quarter of one percent of the annual revenue requirement (0.26%).<sup>32</sup> For the sake of comparison, again look at PGE's Wheatridge facility. That facility provides *eighteen times* the

---

<sup>28</sup> The Volumetric Incentive Rate program was initiated after the adoption of House Bill 3039 (2009) and the direction to the OPUC to establish a "pilot" program to demonstrate the use and effectiveness of volumetric incentive rates instead of a combination of tax credits, net metering and other state incentives. *See* ORS 757.365.

<sup>29</sup> *See, e.g.* Staff Measure Summary for HB 3039-B (2009) (available here: <https://olis.oregonlegislature.gov/liz/2009R1/Downloads/MeasureAnalysisDocument/12684>) and Staff Measure Summary for HB 3039-A (2009) (available here: <https://olis.oregonlegislature.gov/liz/2009R1/Downloads/MeasureAnalysisDocument/12682>). *See also*, Opening Comments of The Environmental Law Alliance Worldwide, *In the Matter of Public Utility Commission of Oregon Investigation into Pilot Programs to demonstrate the use and effectiveness of Volumetric Incentive Rates*, UM 1452:

I firmly believe that "feed in tariff" programs are the best policies for generating renewable energy. They have provide to be effective and efficient. They encourage distributed generation of clean energy. A well-designed feed-in tariff would benefit the environment, create jobs, provide income to Oregonians who generate electricity, and provide benefits to Oregon's transmission system.

<sup>30</sup> A fact noted even by proponents of the policy. *See*, Opening Comments of Renewable Northwest Project on Staff's Photovoltaic Program Draft Report, *In the Matter of Public Utility Commission of Oregon Solar Photovoltaic Program Draft Report Comments & Recommendations*, which noted dryly: "In its first six months of operation, the solar FIT pilot program has received a remarkable response from consumers . . . Some of that response may be due to the level at which the initial VIR was set."

<sup>31</sup> Incentive rates in zone 1 of the program, which included all of PGE service territory, declined from 65 cents to 32 cents per kwh over the course of the program. Solar Photovoltaic Volumetric Incentive Program Report at 6. PGE notes that even at the end, capacity tranches continued to sell out in minutes.

<sup>32</sup> *Id.* at 7.

nameplate amount of wind (300MW) at a 0.68% percentage increase in the annual revenue requirement or less than *three times* the cost of the VIR.<sup>33</sup> A facility like Wheatridge is how PGE is driving toward a low-carbon future for our customers with the lowest price impact possible. The VIR contracts run for 15 years and there are still several years of these above-market contracts to roll-off before the “pilot” program ends. Thus, it is important that before making a decision that will lock-in 20-year resources at above market prices as proposed by this CSP expansion, we pause and consider whether the proposed expansion is wise.

## V. ANALYSIS OF THE COMMUNITY SOLAR PROGRAM’S HISTORY

The administrative history of the Community Solar Program (CSP) shows that its success has relied on various exemptions, extensions, and exceptions. Established by legislation in 2016, the program has, nearly a decade later, resulted in only 81 MW of installed and operational projects. This outcome is notably below initial expectations, with costs proving to be significantly higher than originally projected in the legislation.<sup>34</sup>

Project delays have resulted in extensions being given as the norm and not the exception, even in recent months as Staff is considering expansion of the CSP.<sup>35</sup> Months from pre-certification to COD have ranged from as little as 9 months to 67 months with an average of 30 months.<sup>36</sup> Reasons for these delays include effects of COVID-19, a US Department of Commerce investigation, lack of participant enrollment, construction delays, supply chain delays, waiting for grant funding, completing enrollment, permitting delays, equipment procurement, contractor schedule constraints, inability to construct during the winter months and timeline changes due to changes in the federal investment tax credit.<sup>37</sup>

Despite assertions by developers of slow and complex interconnection processes as a major barrier to getting projects built, PGE has observed that projects have faced repeated delays due to the non-submission of critical deliverables, including the switchgear design, easement documentation, and meter gear design, all of which have been overdue for months and continue to block engineering completion. Scaled site plans and single line drawings have also been consistently missed, with occasional late payments tied to these milestones triggering default notices and requiring schedule resets. Payment delays have been a recurring issue, with several milestones going unpaid past their

---

<sup>33</sup> Letter from Steve Storm to John Crider, *supra*, page 2.

<sup>34</sup> Recall that the legislation envisions paying the resource value of solar as the bill credit.

<sup>35</sup> The tale of Waterford Solar is instructive. On June 10, 2025, the Commission approved a temporary waiver of certain requirements of administrative rule and the PIM to certify Waterford Solar in the program in Order 25-210. Waterford Solar was pre-certified on April 30, 2022, and received multiple extensions to its certification deadline, and waivers of policy to allow certification though it continued to fail to meet requirements. *See* OPUC Order No. 25-210, pages 3 and 4 of Appendix A. *See also* PA’s recommendation for operational deadline extensions for two projects dated June 6, 2025; PA’s recommendation for project certification deadline extension dated May 12, 2025; and PA’s recommendation to grant a five-month certification deadline extension for one project dated April 16, 2025. All available on the UM 1930 docket page <https://apps.puc.state.or.us/edockets/docket.asp?DocketID=21222>

<sup>36</sup> *See* CSP financial model for August 6, 2025, CSP Workshop, Monthly Report tab

<sup>37</sup> *Id.*

due dates before eventual settlement, often after official warnings. To address these delays, PGE has issued multiple amendments to revise milestone dates and adjust schedules, but many have gone unsigned for months, prolonging uncertainty. For example, the same amendment was re-sent to the customer repeatedly from February through August 2025 without resolution, reflecting a broader pattern of stalled agreement. Overall, the combination of overdue technical submissions, late payments, and prolonged contract negotiations has created cascading delays, with PGE warning of potential project withdrawal and the need for full timeline renegotiation to realistically complete the work.

But regardless of the reason, the sheer quantity of projects seeking waivers, extensions and amendments pushed the Commission to adopt rules delegating the Commission’s authority to grant these “noncontroversial” items to the Program Administrator.<sup>38</sup> In roughly two years, between January 26, 2022 and December 22, 2023, the Program Administrator used its delegated authority *136 times*, more than five times a month on average, to grant pre-certifications or to offer waivers, extensions and amendments.<sup>39</sup> This further illustrates that the program does not work as intended.

## VI. SUMMARY

Consistent with this history and understanding, given the relative success of the non-profit model as evidenced by the need for additional capacity to avoid having the pipeline stoppered, and as compared to the for-profit model, PGE suggests that Staff should first incorporate the proposed additional carve-out capacity within the current 160MW of total program capacity. Because the program's total capacity is not yet fully subscribed, there is room for the proposed carve-out capacity to come from the general capacity tier.<sup>40</sup> If the CSP ultimately reaches the original 160MW cap, the Commission and stakeholders can then revisit the program in a process that is more robust than the instant one to determine whether the Commission provided a meaningful opportunity for customers to participate in the program, any need for more capacity and the costs versus the benefits of the program, including a reassessment of the payment of the resource value of solar as the bill credit, consistent with the original legislation. That process could determine that additional expansion of the CSP is either not warranted or warranted but only with significant changes like moving the bill credit rate to the statutorily specified amount.

---

<sup>38</sup> Public Utility Commission of Oregon Order No. 24-364, AR 665 (October 20, 2024) (adopting staff recommendation “Since January 26, 2022, under Commission orders issued in docket UM 1930, authority to grant non-controversial pre-certifications, waivers, extensions, and amendments in the Community Solar Program is delegated to the Community Solar Program's Program Administrator (PA), as described in the Program Implementation Manual. The current temporary waiver of OAR 860-088-0040(3-6), expires on January 23, 2025. Without the waiver, Staff would have to bring any request for pre-certification, waiver, extension, or amendment to a public meeting for Commission decision . . . Staff proposes to remove language requiring Commission Orders to grant pre-certifications, waivers, extensions, and amendments in the Community Solar Program from OAR 860-088-0040(3)-(6)”.

<sup>39</sup> *Id.* at Appendix A, page 2.

<sup>40</sup> This is not as draconian as it may seem. The program implementation manual allows for the Program Administrator to place projects on disciplinary probation for not meeting timelines and progress deliverables. One remedy available is for the Administrator to make capacity available to the next eligible projects in the queue. *See* the PIM at 4.6.2.

PGE suggests this approach because even with significant economic supports and best efforts of the utilities to support the program, many projects have remained in the project queue for months sometimes years at a time, the enrollments in the program lag expectations, costs to customers are outsized to the benefits provided and customer savings are minimal.

PGE thanks Staff for providing a thoughtful and detailed analysis of the costs of the CSP and for putting together a proposal that seeks to honor the commitment the Commission has made to developing the CSP. PGE believes that is not a program that should be expanded under its current terms. Instead, PGE supports an increase to the “carve-out” to ensure the program better meets with the original intent and favors a fast-track pathway for projects from local developers and non-profits, especially those that demonstrate federal, state and local grant funding alignment.

*/s/ Jason Salmi Klotz*

Jason Salmi Klotz  
Senior Manager, Strategy & Planning  
Regulatory Affairs & Strategy