



October 11, 2024

**Re: Phase 2 Scoping
Docket No. UM 2111, Staff's Investigation into Interconnection Process and Policies**

To UM 2111 Service List:

The Renewable Energy Coalition (“REC”) and the Community Renewable Energy Association (“CREA”) appreciate this opportunity to comment on Staff’s proposed scope for Phase 2 of Docket No. UM 2111 regarding Staff’s Investigation into Interconnection Process and Policies. REC and CREA broadly support Staff’s proposed scope for Phase 2 as discussed in its September 27, 2024 workshop (the “Workshop”). The issues Staff proposes to address are ones REC and CREA have raised to the Commission for years out of concern for the barriers they pose to the development of small and community-based renewable energy projects. REC and CREA are now eager to make progress on them in Phase 2 of this docket.

In the Workshop, Staff proposed two main workstreams in Phase 2. The first would focus on the “interconnection process and delays” and the second would establish a “[t]echnical working group to resolve disagreements over protection equipment requirements.”¹

With respect to the first workstream – interconnection delays – Staff proposes to frame the investigation around three questions:

- Should the Commission establish standards and enforceable timelines for interconnection studies and construction?
- Should the Commission address the ability of third parties to construct interconnection facilities?
- Should the Commission modify additional process rules for NEM and SGIP?²

¹ Workshop Presentation at 10.

² Workshop Presentation at 13.

Consistently across multiple dockets for several years, REC and CREA have requested that the Commission take up these questions.³ Indeed, in joint comments with NIPPC and CREA, REC wrote in 2019 that “[i]nterconnection is the [m]ost [p]ressing [i]ssue with the [g]reatest [p]otential to [r]educ[e] [d]isputes and [p]rovide [i]mmediate [r]atepayer [b]enefits” and, specifically, that “the Commission can avoid disputes by establishing more enforceable timelines, requiring utilities to act reasonably, providing specifics regarding when a [qualifying facility (“QF”)] can hire a third-party consultant, providing a process for disputing interconnection requirements, and reviewing possible lower cost alternatives.”⁴ Accordingly, REC and CREA strongly support including the items identified by Staff in Phase 2 of this docket and, again, look forward to making progress toward reducing disputes and eliminating barriers to small renewable project development.

REC and CREA recommend that Staff’s work on standards and enforceable timelines for interconnection studies and construction include ensuring that:

- The utilities must be reasonable and non-discriminatory and act in good faith in the interconnection process.
- The utilities must hire adequate staff to achieve standards and enforceable timelines.
- Interconnection customers may complete themselves or hire third parties to perform interconnection studies, construct interconnection facilities, order interconnection equipment, and more.
- The Commission provides appropriate process and remedies for utility violations of the rules (e.g., providing extensions of commercial operation dates for delays and ensuring that interconnection customers are able to recover all damages, including consequential damages).
- The Commission provides appropriate process through which an interconnection customer may challenge utility cost estimates and propose alternatives, which is critical to establishing appropriate and enforceable timelines.
- The utilities and interconnection customers can freely negotiate payment options and timing including deposits, progress payments, financing, reimbursements, and final accounting in order to reduce the risk of interconnection customer delays.

With respect to the second workstream – technical issues regarding protection equipment requirements – Staff proposes to begin by addressing direct transfer trip.⁵ Staff suggests the workstream will then move on to other engineering topics such as grounding transformers, 3V0 sensing, and testing procedures.⁶

³ See, e.g., Docket No. UM 1930, *UM 1930 Trade Groups’ Presentation* at 26 (Nov. 14, 2023); Docket No. UM 2111, *Re: Interconnection Issues in UM 2111* at 3-4 (Jan. 4, 2022); Docket No. UM 2000, *Comments of NIPPC, REC, and CREA on Staff’s Draft White Paper* at 10-11 (June 7, 2019).

⁴ Docket No. UM 2000, *Comments of NIPPC, REC, and CREA in Response to OPUC Workshop* at 9-10 (Jul. 9, 2019).

⁵ Workshop Presentation at 14-16.

⁶ Workshop Presentation at 17.

REC and CREA appreciate Staff's proposal to take up technical issues related to interconnection and strongly support beginning the technical workstream with direct transfer trip, which REC and CREA have recently viewed as a particular barrier to small renewable project development.⁷

REC and CREA also support addressing additional technical issues in Phase 2; indeed, REC and CREA have also raised concerns about utility gold-plating of interconnection upgrades for years across multiple dockets.⁸ However, REC and CREA request that Staff take care to ensure that the scope of this workstream is feasible for non-utility participants. To that end, REC and CREA recommend that the scope be limited to a discrete set of technical issues, and that each such issue be noticed several weeks in advance, at minimum, to allow non-utility participants to identify technical support and to engage fully in the workstream. On technical issues, proceeding too quickly with too large a scope would significantly advantage the utilities over other participants and risk producing skewed outcomes, imposing unnecessary and expensive protection requirements on small renewable projects, and ultimately threatening the growth and success of community renewable projects in Oregon.

In sum, REC and CREA deeply appreciate Staff's attention to issues they have been raising for years and support Staff's proposed scope for Phase 2 of this docket. REC and CREA look forward to further engagement in this process and reiterate their hope that this Phase will make progress toward eliminating barriers to development of precisely the sorts of small and community-based renewable resources called for by the Oregon legislature in laws ranging from Senate Bill 1547 (2016) to HB 2021 (2021).⁹

Respectfully submitted,



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⁷ See Docket No. UM 2322, *Opening Brief of the Renewable Energy Coalition* at 24-27 (Sept. 24, 2024).

⁸ See, e.g., Docket No. UM 1930, *UM 1930 Trade Groups' Presentation* at 18 (Nov. 14, 2023); Docket No. UM 2111, *Re: Interconnection Issues in UM 2111* at 1-2, 4 (Jan. 4, 2022); Docket No. UM 2000, *Comments of NIPPC, REC, and CREA on Staff's Draft White Paper* at 10 (June 7, 2019).

⁹ See SB 1547 (2016) at section 14; HB 2021 (2021) at sections 1(2) & 37.