

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 659

In the Matter of

Rulemaking to Update Division 82 Small
Generator Interconnection Rules, and
Division 39 Net Metering Rules.

THE COMMUNITY RENEWABLE
ENERGY ASSOCIATION AND
RENEWABLE ENERGY COALITION'S
COMMENTS

I. INTRODUCTION

In accordance with Public Utility Commission of Oregon (“Commission” or “OPUC”) Staff’s Schedule Announcement dated October 22, 2024, the Community Renewable Energy Association (“CREA”) and the Renewable Energy Coalition (the “Coalition”) (collectively the “Interconnection Trade Associations”) respectfully submit these comments on Portland General Electric Company (“PGE”), Idaho Power Company (“Idaho Power”), and PacifiCorp’s revised Small Generator Interconnection Agreements (“SGIAs”) filed on September 26, 2024, October 15, 2024, and October 21, 2024 respectively.¹

The Interconnection Trade Associations recommend the following changes to the SGIAs:

1. Section 3.2 in all three SGIAs: The utilities’ SGIAs should each be revised to more clearly set forth the interconnection customer’s options for term length.
2. Definition of “Nameplate Rating” in all three SGIAs: The utilities’ SGIAs should each be revised to contain the newly revised definition of nameplate rating in the administrative rules.

¹ PGE’s Revised Interconnection Agreement for Small Generator Facility, in Compliance with Order No. 24-068 (Sept. 26, 2024) (herein after “PGE Proposed SGIA”); Idaho Power Company’s Revised Interconnection Agreement for Small Generator Facility (Interconnection Agreement) (Oct. 15, 2024) (herein after “Idaho Power Proposed SGIA”); PacifiCorp’s Revised Interconnection Agreement for Small Generator Facilities (Oct. 21, 2024) (herein after “PacifiCorp Proposed SGIA”).

3. PacifiCorp SGIA: Clarify or change Section 2.2 to reference the Oregon Administrative Rules (“OAR”).
4. Idaho Power SGIA
 - a. Change “Nameplate Capacity” to “Nameplate Rating” throughout.
 - b. Reinsert Article 6 provision related to insurance requirements and modify to reference the OARs.

II. COMMENTS

A. **SGIA Section 3.2: The Utilities’ SGIA’s Should More Clearly Set Forth the Interconnection Customer’s Options for Term Length.**

The Commission’s newly adopted administrative rules provide an express right for the customer with the opportunity to synch the interconnection agreement’s term with the customer’s power purchase agreement term, but the initial compliance filings do not unambiguously implement this new provision. This new provision in the rules is important because confusion and disputes can arise when the interconnection agreement expires before the power purchase agreement. Specifically, the administrative rules now provide (with revisions in underline):

Applicants or interconnection customers are entitled to a 20- year term for an interconnection agreement, or if the interconnection customer and the public utility have entered a separate Power Purchase Agreement for a specified period of time, to a term that coincides with the length of such Power Purchase Agreement.²

The Interconnection Trade Associations expect that most customers would choose the option of having the interconnection agreement’s term end at the same time as the customer’s power purchase agreement’s term. Further, qualifying facilities have a unilateral right to select a

² OAR 860-082-0030(3); *see also* Docket Nos. UM 2111 & AR 659, Staff’s Report at 15 (Aug. 15, 2023) (containing proposed revisions to preexisting rule).

power purchase agreement term of up to 20 years running from the scheduled commercial operation date in the Commission’s rules,³ and thus many interconnection customers would seek an interconnection agreement term length longer than 20 years from the date the interconnection agreement is signed. Many other interconnection customers would likely benefit from syncing the interconnection agreement’s termination date with the end of a power purchase agreement with a termination date ending after the 15-year fixed-price term available in the Commission’s qualifying facility rules.⁴ Neither of these scenarios are likely to be a date that is 20 years after the date the interconnection agreement is signed (i.e., its “Effective Date”). Thus, the options to the interconnection customer should be carefully and clearly set forth to ensure customers are aware of the options in the Commission’s rules and can easily elect the best option for their circumstances while completing the interconnection agreement form with the public utility. Particularly in the case of small generators, the interconnection customer may be proceeding without the assistance of qualified legal counsel regarding the specific rights in the Commission’s rules, and therefore clarity in the Commission-approved SGIAs is important.

However, the Interconnection Trade Associations are concerned with the presentation of the term length options in the utilities’ compliance filing SGIAs. The options are not clearly specified, and do not clearly present the option to sync the interconnection agreement term with the power purchase agreement term. Each of the three utilities proposed the following language in their compliance filing SGIA’s Section 3.2:

³ See OAR 860-029-0120(2)-(6) (providing the option for a 20-year power purchase term and a 15-year fixed price term, each commencing on the earlier or commercial operation or the scheduled commercial operation date).

⁴ *Id.*

3.2 Term of Agreement.

The Agreement will be effective on the Effective Date and will remain in effect for a period of twenty (20) years¹ unless terminated earlier by the default or voluntary termination by the Interconnection Customer or by action of the Commission.

* * * *

¹ [Note to Draft: Applicants may request a shorter term. For Applicants with a power purchase agreement (“PPA”) with [the Public Utility], the term of the Agreement should be the same as the term of the PPA and may be longer than 20 years.]

This proposed SGIA language suggests that a 20-year term running from the date of execution of the interconnection agreement will predominate and relegates to a footnote the key option to sync the terms of the interconnection agreement and the power purchase agreement. The phrasing could easily lead customers to inadvertently agree to a 20-year-from-Effective-Date term when doing so is not their intent and is not consistent with the term of their power purchase agreement. It is not at all clear how the utilities’ proposed form would be revised to ensure that an interconnection agreement term ended at the same time as the power purchase agreement term because achieving that result would necessitate a complete redrafting of Section 3.2 in a case-by-case basis.

The Interconnection Trade Associations recommend that the three options offered to the interconnection customer be more clearly set forth in a manner that will reduce confusion and lead more clearly to completed contracts. The Commission-approved SGIA’s should contain the following language to more faithfully implement the new rule’s language and clearly specify the options from which the interconnection customer may choose:

3.2 Term of Agreement

This Agreement will be effective on the Effective Date and will remain in effect until (Interconnection Customer to select one option with an X):

___ 20 years after the Effective Date;

___ the date the power purchase agreement for the facility expires
*this option available if the Interconnection Customer and the public utility have entered a separate power purchase agreement;

-Or-

___ _____, 20__

(month) (day) (year)

*date to be chosen by Interconnection Customer, provided such date may not be later than the dates that would result in the options above.

This language would ensure that each interconnection customer is aware of its options under the Commission’s rules. Additionally, this check-the-box and fill-in-the-blank format would require less case-by-case redrafting of the SGIA form to achieve the result most interconnection customers are expected to choose—an SGIA term that would end at the same time as the power purchase agreement. Thus, the Commission should direct the utilities to make the above change to the SGIA’s.

B. Definition of Nameplate Rating: The Utilities’ SGIA’s Should Each Be Revised to Contain the Newly Revised Definition of “Nameplate Rating” in the Administrative Rules.

Another key update to the administrative rules was to revise the definition of “Nameplate Rating” to accommodate the use of solar and storage devices. The newly adopted definition is as follows:

“Nameplate rating” means the sum total of maximum rated power output of all of a small generator facility’s constituent generating units and/or energy storage systems as identified on the manufacturer nameplate in Alternating Current (AC), regardless of whether it is limited by any approved means. For a generating unit

that uses an inverter to change direct current energy supplied to an AC quantity, the nameplate rating will be the manufacturer’s AC output rating for the inverter(s).⁵

The prior definition was not focused on inverter-based systems and was confusing in application to solar and storage systems.⁶ Thus, the update was part of the Commission’s overall goal of updating the rules to better accommodate new technologies that have emerged since the last update to the rules. The Interconnection Trade Associations submit that the SGIA’s should also be updated for the same reasons.

However, none of the three utilities updated the SGIA’s to include the new description of Nameplate Rating. PGE’s Proposed SGIA is the only one that appears to address how to measure the facility’s “Nameplate Rating”, but it fails to include the newly adopted definition of “Nameplate Rating” in the administrative rules and even contains a description of capacity that appears to be different from the administrative rule’s definition. PGE’s Proposed SGIA Attachment A provides:

Nameplate Rating for the Facility

The Applicant has proposed and Portland General Electric has reviewed and approved a generation and/or storage facility to be interconnected to the distribution system at:

⁵ OAR 860-082-0015(28).

⁶ The prior version of the rules contained the following definition:

(21) “Nameplate capacity” means the full-load electrical quantities assigned by a facility’s designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, as expressed in amperes, kilovoltamperes, kilowatts, volts, megawatts, or other appropriate units. Nameplate capacity is usually indicated on a nameplate attached to the individual device.

Former OAR 860-082-0015(21) (contained in Docket Nos. UM 2111 & AR 659, Staff Report (Aug. 15, 2023)).

Location: {data: Latitude}, {data: Longitude}

PGE has approved a facility with the following capacity specifications:

1. Generation Facility Details:
2. Total Generator Capacity (kW):
3. Total Energy Storage Capacity (kW AC):

It is not clear from this language how PGE understands the “Nameplate Rating” to be measured. And it certainly does not clarify that the Nameplate Rating is measured in AC at the inverters in the case of a solar facility.

The “Nameplate Rating” is an important measure because—as PGE’s Proposed SGIA confirms—only facilities with a Nameplate Rating of 10 MW or less are qualified for the SGIA in the case of PGE and Idaho Power, and only those facilities with a Nameplate Rating of 20 MW or less are qualified in the case of PacifiCorp.⁷ Further, the insurance requirements only apply in the case of a facility with a Nameplate Rating in excess of 200 kW.⁸ The definition has significance for a number of other reasons in the Commission’s administrative rules, including the question of whether a modification of a facility requires a new interconnection request.⁹ Thus, aside from internal inconsistency within the SGIA, any inconsistency between the terminology in the Commission-approved SGIA and the rules could lead to further confusion, inadvertent mistakes, and potential disputes. Accordingly, the Interconnection Trade Associations recommend that each of the utilities’ SGIA be revised to include the same definition of Nameplate Rating as the administrative rules set forth above.

⁷ PGE’s Proposed SGIA at § 1.1; Idaho Power’s Proposed SGIA at § 1.1; PacifiCorp’s Proposed SGIA at § 1.1.

⁸ See PGE’s Proposed SGIA at § 6.1; OAR 860-082-0040.

⁹ OAR 860-082-0025(1)(b); OAR 860-082-0015(27).

Additionally, it is not clear to the Interconnection Trade Associations why Idaho Power did not change “Nameplate Capacity” to “Nameplate Rating” throughout Idaho Power’s Proposed SGIA.¹⁰ The Commission should direct Idaho Power to replace the term “Nameplate Capacity” with “Nameplate Rating” to remove potential confusion and conform to the adopted rules and the other two utilities’ SGIA’s.

C. Idaho Power SGIA

Idaho Power improperly deleted the provision in Article 6 of its SGIA that stated a utility may not require an interconnection customer to maintain general liability insurance for a small generator facility of 200 kW or less.¹¹ There is no basis for Idaho Power to delete this provision from its SGIA. The new rules did not change the insurance requirements, which remains as follows:

(1) A public utility may not require an applicant or an interconnection customer with a small generator facility with a nameplate rating of 200 kilowatts or less to obtain liability insurance in order to interconnect with the public utility’s transmission or distribution system.

(2) A public utility may require an applicant or an interconnection customer with a small generator facility with a nameplate rating greater than 200 kilowatts to obtain prudent amounts of general liability insurance in order to interconnect to the public utility’s transmission or distribution system.¹²

The Commission should not permit changes to the SGIA at this time beyond those necessary to implement the new rules adopted from Docket Nos. UM 2111 and AR 659. Because the rules on

¹⁰ *Generally, compare Idaho Power’s Proposed SGIA to PacifiCorp’s Proposed SGIA and PGE’s Proposed SGIA.*

¹¹ *See Idaho Power Proposed SGIA at Article 6.*

¹² OAR 860-082-0040.

insurance requirements did not change, the Commission should direct Idaho Power to reinsert this provision into Article 6 to be updated to reference OAR 860-082-0040 instead of the previous Commission order referenced in its prior SGIA.

D. PacifiCorp SGIA

PacifiCorp’s SGIA Section 2.2 states “As provided in Article 0030(5) of the SGIP, the Public Utility will have access to the Interconnection Customer’s premises....”¹³ However, there is no “Article 0030(5)” contained within PacifiCorp’s Proposed SGIA. It appears PacifiCorp intends to reference OAR 860-082-0030(5), which provides that the utility may have access to the customer’s premises. For this same section PGE proposed the following edit: “As provided in OAR 860-082-~~0020~~0030(5)...[.]”¹⁴ The Interconnection Trade Associations recommended that PacifiCorp’s SGIA should also reference OAR 860-082-0030(5), or PacifiCorp should clarify this confusing aspect of its proposed SGIA. Thus, the Commission should direct PacifiCorp to clarify why it referenced Article 0030(5) of the SGIP in SGIA Section 2.2 and direct PacifiCorp to change that reference to the corresponding rule.

III. CONCLUSION

The Commission should direct PGE, Idaho Power, and PacifiCorp to make the Interconnection Trade Association’s recommended changes to the SGIA’s and clarify where appropriate.

¹³ PacifiCorp Proposed SGIA at § 2.2.

¹⁴ PGE Proposed SGIA at § 2.2.

Dated this 6th day of November 2024.

Respectfully submitted,

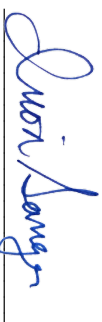
Richardson Adams, PLLC



Gregory M. Adams
515 N. 27th Street
Boise, ID 83702
Telephone: 208-938-2236
greg@richardsonadams.com

Of Attorneys for the Community Renewable Energy
Association

Sanger Law, PC



Irion A. Sanger
Ellie Hardwick
Sanger Law, PC
4031 SE Hawthorne Blvd.
Portland, Oregon 97214
Telephone: 503-756-7533
Fax: 503-334-2235
irion@sanger-law.com

Of Attorneys for Renewable Energy Coalition