Overview of Oregon’s Community Solar Program

Oregon Rules, Chapter 860, Division 088

Adopted June 29, 2017 via Order #17-232
Big Picture

• **160+ MW in “initial capacity tier” across IOUs**
  • PGE – 93 MW; PAC – 63 MW; IDP – 3 MW

• **Projects limited to 25 kW - 3 MW in size**
  • Multiple systems can equate to one “project”
  • Located in same service territory as subscribers

• **Project Manager**
  • Third-party developers and utilities

• **Customers**
  • All customers eligible
  • Carve outs for resi/small commercial (50% each project) and low-income (10% program / 5% for each project)

• **Credit rate**
  • Reflective of Resource Value of Solar, or alternative rate if there’s “good cause”
Customer Participation

• All customer types eligible, but:
  • At least 50% of project capacity reserved for residential and/or small commercial
  • At least 5% of project capacity reserved for low-income customers

• Participation options:
  • Direct ownership
  • Subscription (minimum 10 years)

• Individual limits:
  • Cannot exceed avg. annual usage, and ≤ 40% of project capacity
  • 2 MW max. for one customer; and up to 4 MW for “affiliated”
Project Certification Requirements

Step 1: Project Manager Registration
- Requires ongoing compliance with “standard of conduct”
- Details TBD

Pre-Certification
- Project details
- Interconnection documentation (min. system impact study)
- Documentation of acquisition approach, proposed marketing materials, low-income strategy, and proposed forms/contracts
- Other

Step 2: Maximum of 18 months

Step 3: Certification
- Minimum 50% subscribed
- At least 5 participants
- Compliance with low-income requirements
- Other?
Program Economic Factors

**Compensation**
- Credit rate guaranteed for 20 years
  - “Interim” rate = current residential retail rate
    - (does not increase with inflation or rate increases)
  - Future rate - ?
- RECs must “remain” with subscribers
- Unsubscribed generation paid at as “as-available” avoided cost rate

**Costs**
- Ongoing program administration fees = ?
- Low-income participation costs = ?
- Application fees or deposits = ?
Program Administration

• **Program Administrator**
  • Selected via RFP
  • Develops Implementation Manual (with Staff and stakeholders)
  • Processes pre-cert. and cert. applications and provides initial review prior to PUC review
  • Provides infrastructure to facilitates data and financial flow
  • Other

• **Low-income Facilitator**
  • Reports to (or is) the Program Administrator
  • Liaison/supporter for program to achieve low-income targets

• **Utilities**
  • Apply credits on participant bills
  • Receives subscription payments from participants and pass through to PA
PUC Decision (Apr. 24): Interim Credit Rate

- Residential retail rate (no escalator?) for initial 25% of capacity (~40 MW)
- Of that, 25% (10 MW) is set aside for projects ≤ 360 kW in size
- Review expected to occur once the ~40 MW is pre-certified

<table>
<thead>
<tr>
<th>Utility</th>
<th>Category (MW)</th>
<th>Capacity* (MW)</th>
<th>Residential Rate*</th>
</tr>
</thead>
<tbody>
<tr>
<td>PGE</td>
<td>.361 - 3</td>
<td>~ 17</td>
<td>$0.1103</td>
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<tr>
<td></td>
<td>≤ .360</td>
<td>~ 6</td>
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<tr>
<td>PAC</td>
<td>.361 - 3</td>
<td>~ 12</td>
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<tr>
<td></td>
<td>≤ .360</td>
<td>~ 0.19</td>
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</tbody>
</table>

*Not official, these are estimates only. Rate calculations were made in Q2 2018.
Next Major Steps

• Program Administrator selection – Energy Solutions - made Aug. 24
  • Low-income Facilitator – Community Energy Project

• Followed by establishing contract – 90+ months?
  • January start date for PA?

• Followed by program setup – 6+ months?
  • Implementation Manual (and all remaining details therein)
  • Program infrastructure (software, etc.)

• Program launch date – 2019?