Webinar Outline

• Brief overview of program

• Brief overview of remaining implementation process
  • Policy elements (this is the focus of the webinar)
  • Program Implementation Manual, Program launch

• Deep dive into Staff proposal on policy elements
  • Credit rate / capacity allocation
  • Administrative costs
  • Low-income requirements and options
  • Interconnection
Program Design - Big Picture

- Legislation passed in 2016 (SB 1547)
- Rules adopted June 2017 (860-088-00100)
- 160+ MW in “initial capacity tier”
  - PGE – 93MW; PAC – 63MW; IDP – 3MW
- Projects limited to 25 kW - 3 MW in size
- Project Manager eligibility
  - Third-party developers and utilities
Customer Participation

• All customer types eligible, but:
  • At least 50% of project capacity reserved for residential and/or small commercial
  • At least 10% of program 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”
Program Implementation: Remaining Timeline for Addressing Policy Elements (led by Staff)

• October 4 - Staff shares Memo proposing key policy design elements:
  • Credit rate; low-income requirements; administrative costs; and interconnection
  • See PUC Oregon Docket # UM 1930

• October 15 - Deadline for stakeholder comments

• October 22 - Public Meeting at which Staff presents their proposal and stakeholders have an opportunity to provide public comment

• October 29 - PUC special meeting to deliberate and decide policy issues
Program Implementation: Remaining Timeline for Program Implementation Manuel (PIM)

• October 4 - A draft of the final chapter, "Balance of PIM" is released.
  • Go to: https://orcsplaunch.wordpress.com/ (“Resources” tab)

• October 18 - Comments on draft Balance of PIM chapter are due

• November 18 - A final draft of the PIM is posted (on docket) for public comment and PUC review

• December 3 – Staff present PIM to PUC (opportunity for stakeholder comment)
Program Launch Timeline (targets)

• September 30 – Project Manager registration is available
  • Go to: https://www.oregoncsp.org/

• December 4 - Program opens the pre-certification application website

• December 16 - Project Managers may start submitting pre-certification applications
Credit Rate and Capacity Allocation Proposal

<table>
<thead>
<tr>
<th>Utility</th>
<th>75% of Tier (MW)</th>
<th>General (MW)</th>
<th>Small (≤ 360 kW), or Non-profit, Gov't (MW)</th>
<th>Rate ($/kWh)</th>
<th>20-yr Levelized (2.18% esc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PGE</td>
<td>69.86</td>
<td>52.40</td>
<td>17.47</td>
<td>$ 0.11234</td>
<td>$ 0.13895</td>
</tr>
<tr>
<td>PAC</td>
<td>48.45</td>
<td>36.34</td>
<td>12.11</td>
<td>$ 0.09770</td>
<td>$ 0.12084</td>
</tr>
<tr>
<td>IPC</td>
<td>2.45</td>
<td>1.84</td>
<td>0.61</td>
<td>$ 0.08480</td>
<td>$ 0.10489</td>
</tr>
</tbody>
</table>

- Credit rate established as residential retail rate
  - Not literally “floating”, but with 2.18% annual escalator

- Non-profit = any mutual benefit, public benefit, religious, or municipal corporation, or Tribe
Administrative Cost Recovery Proposal

<table>
<thead>
<tr>
<th>Fee Type/Duration</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Fee ($/kW-DC)</td>
<td>$ 5.00</td>
</tr>
<tr>
<td>Ongoing Participant Fee ($/kW-DC/month)</td>
<td>$ 1.50</td>
</tr>
</tbody>
</table>

- These values are based on a 50% (80 MW) capacity “transition” level
  - Once 80 MW is both “subscribed and billing”, new applicants could be charged a $75/kW pre-certification application fee, in addition to the ongoing fee
    - Note – it’s feasible that 120 MW applies (at $5/kW) prior to 80 MW operating

- The ongoing administrative fee is only applied to non-low-income customers
Proposed Low-Income Requirements & Options

• Each project is required to have at least 10% of capacity for low-income customers

• Low-income customers must receive at least a 20% discount
  • Low-income Facilitator will “prioritize” projects offering at least 50% discount
  • Special “Low-Income Designation” given to projects offering 50%+ discount

• Low-income customer definition includes the following:
  • Qualifying residential customer (as defined in PIM)
    • Including customers that have a utility allowance or other rent assistance
  • Affordable housing provider that pays electricity costs for qualifying low-income tenants
    • 75% of financial savings must be shared with low-income tenants
Other Staff Recommendations

• Simplified crediting mechanism (requires change to program Rules)
  • Credits are monetary and applied against full bill (electricity costs + subscription)
    • Carried forward monthly, with annual true-up that forfeits remainder

• Utilities provide at least 1 communication a year to inform customers of CSP opportunity, and direct customers to 1) list of available projects (on PA website) and 2) PA contact info
Interconnection Proposal

• **Recommendation #1**: Adopt the Joint Utilities’ proposal – with modifications - for a streamlined CSP interconnection process
  • Creates a unique interconnection queue for eligible community solar projects that avoids potentially costly deliverability studies and associated costs
  • Eligibility based on being at or below 100% of minimum daytime load (or 30% of summer peak load)

• **Recommendation #2**: Recommends initial steps toward developing models for cost-sharing between generators
  • Near term - Utilities to study CSP generators jointly, upon request
  • Long term – Staff to continue stakeholder engagement around pre-emptive cost sharing and CEZ zones
Interconnection Proposal

• **Recommendation #3:** Staff recommends that the Commission adopt the Joint Utility proposal to allow CSP generators 360 kW or less to meter on the low side of the transformer.

• **Recommendation #4:** PUC to issue a Request for Information (RFI) for third-party expert interconnection study review services (upon request).

• **Recommendation #5:** Enhanced pre-application report for non-profit and public Project Managers
  • Can request 5 sites in single request, at no cost.

• **Recommendation #6:** PacifiCorp to provide additional information on the process to address the backlog of interconnection applications (i.e., outside Recommendation #1).
How to stay involved

• Send comments in response to Staff proposal to: puc.filingcenter@state.or.us

• Review Draft PIM Chapters and provide comments via the Program Administrator’s Stakeholder Engagement Website - https://orcsplaunch.wordpress.com

• Register to become a Project Manager and learn more about program requirements via the Program website - https://www.oregoncsp.org

• Join OSEIA! We have weekly member updates and a Community Solar Committee that meets bi-monthly. https://www.oseia.org/join We have government and non-profit rates.