

JOHN R. KROGER
Attorney General



MARY H. WILLIAMS
Deputy Attorney General

DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

March 14, 2011

Attention: Filing Center
Public Utility Commission of Oregon
550 Capitol Street NE, #215
PO Box 2148
Salem, OR 97308-2148
puc.filingcenter@state.or.us

Re: *In the Matter of PUBLIC UTILITY COMMISSION OF OREGON Solar Photovoltaic
Program Draft*
PUC Docket No.: UM 1505
DOJ File No.: 330-030-GN0415-10

Enclosed are an original and five copies of the OREGON DEPARTMENT OF ENERGY
SUPPLEMENTAL CLOSING COMMENTS in the above-captioned docket for filing with the
PUC today.

Sincerely,

Janet L. Prewitt
Senior Assistant Attorney General
Natural Resources Section

Enclosures
JLP:mme/#2604516
c: UM 1505 Service List
UM 1452 Service List
AR 538 Service List

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1505

In the Matter of the)	
)	
PUBLIC UTILITY COMMISSION OF)	OREGON DEPARTMENT OF
OREGON)	ENERGY'S SUPPLEMENTAL
)	CLOSING COMMENTS
Solar Photovoltaic Program Draft)	
_____)	

Oregon Department of Energy (ODOE) appreciates the opportunity to provide supplemental closing comments in this docket and provide input to the Oregon Public Utility Commission (OPUC) Staff Reply Comments and Recommendations dated February 28, 2011.

ODOE generally supports most of OPUC Staff comments except for one critical issue in regards to the Automatic Adjustment Rate Mechanism (ARAM):

ODOE does not support the recommendation that the capacity for the April 1st, enrollment be reduced to 25% of the original capacity. While this policy may not likely impact the implementation of ODOE tax credit programs, ODOE is concerned about the lack of adequate discussion (if at all) about this Staff proposal and the unintended consequences of sudden changes to a "pilot" program. In ODOE's attendance at the February 18, 2011, workshop, it was not clear at all, if OPUC Staff was considering this proposal to adjust the ARAM. ODOE believes that decisions of this nature warrant disclosure and discussion to allow members of the solar industry and other stakeholders, the ability and time, to provide constructive input. ODOE thus feels it prudent that only the 10% reduction as planned through the ARAM should be considered and no additional capacity reductions be implemented at this phase of the pilot.

ODOE acknowledges that the pilot program must undergo changes in the enrollment procedure and a review of the Solar Photovoltaic Pilot Volumetric Incentive Rates (VIR). Such

changes ultimately have the potential to result in a program that is seen as more fair for participants, with more projects, a smaller impact to rate payers, and should therefore warrant the support of the solar industry. It is presumed that the purpose of the proposed rate reduction is to effectively “skip” the April 1st, enrollment period and to then make more substantive changes for the October enrollment. It is clear from the joint comments dated March 9, 2011, and submitted by Renewable Northwest Project (RNP), Oregon Solar Energy Industries Association (OSEIA), Tanner Creek and Solar City, that the industry does not support this approach. The solar industry should be seen as a partner in the successful implementation of the pilot program that balances rate-payer costs with long-term effective deployment of a pilot program.

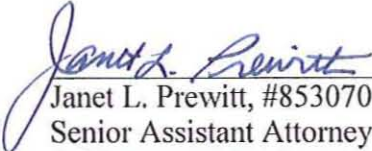
Conclusion

We appreciate the OPUC opening this docket to consider adjustments to the pilot program. We believe significant program adjustments should not be completed until after the April 1, 2011, enrollment period and appreciate the efforts by PacifiCorp and Portland General Electric to track the “non-winning bids” information. We continue to support re-evaluating the VIR rate and transitioning to a lottery based selection process for the October enrollment period.

DATED: this 14th day of March, 2011.

Respectfully submitted,

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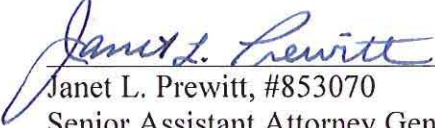
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CERTIFICATE OF SERVICE

I hereby certify that on the 14th day of March 2011, I served the foregoing OREGON DEPARTMENT OF ENREGY'S SUPPLEMENTAL CLOSING COMMENTS upon the persons named on the UM 1505 service list, by mailing a full, true and correct copy thereof and to such persons waiving such service by mail who were served at their e-mail address as listed on the service list, and by electronic mail to the UM 1452 and AR 538 service lists pursuant to the prehearing memorandum for UM 1505 issued by ALJ Power on October 14, 2010.

DATED: this 14th day of March, 2011


Janet L. Prewitt, #853070
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