Public Utility Commission of Oregon 201 High Street SE, Suite 100 Salem, Oregon 97301-3398

Waiver Request - Rule 869-039-0065 (c) - Docket UM 1631

Dear Oregon Public Utility Commissioners:

We are writing in support of West Hayden Island Moorage Owners Association's (WHIMOA) request for a waiver of meter aggregation Rule 869-039-0065 (c). The community's case for meter aggregation is unique in many ways and we believe that the circumstances demonstrate good cause.

As it currently stands, the annual output from their 49.68 kilowatt solar array will exceed the annual usage of the primary meter and one additional meter that has already been approved for aggregation. We are requesting a waiver of Rule 869-039-0065 (c), so that another meter can be aggregated for the purpose of applying net metering credits to all three of their electricity bills. Here is a description of the three meters, and an overhead map of the meter locations is included at the end of this comment letter.:

- 1. <u>Community Garage meter</u>: the 49.68 kilowatt solar array is interconnected at this meter, which serves four parking garage structures, and has the highest use of the three meters collectively paid by WHIMOA dues (41,000 kwh/year).
- 2. <u>Entrance Gate meter:</u> this meter meets the three meter aggregation criteria and has an annual usage of approximately 5,840 kwh/year.
- 3. <u>Water Pumping Station meter:</u> this meter is on the same contiguous property, and serves the customer-generator's energy requirements. However, it is fed from a different PGE feeder, so it does not meet criteria 869-039-0065 (c). This meter is about 350 feet away from the Parking Garage, but happens to be fed from a different PGE feeder. This meter has an average daily use of 19 kilowatthours, or 6,935 kilowatt-hours per year.

The members of WHIMOA have installed solar because of a strong passion to power their community's shared electricity use from clean, renewable energy. As a non-profit entity they are not typical solar project owners - their organization does not qualify for the federal tax credit program, accelerated depreciation, or the residential tax credit program in Oregon. The additional expense of replacing a PGE transformer as part of the project was also readily approved by the members despite its negative impact on their investment. Granting the requested waiver will allow the 56 homeowners in the HOA to fully realize the financial benefit of their investment.

WHIMOA has effectively installed a true "community solar" project that splits the cost of the installation among members, and delivers an equal benefit to each member. From a utility point of view, having one system to net meter rather than many individual residential systems would seem to provide a cost savings, and we believe this model should be strongly encouraged, not discouraged.

Our understanding from PGE is that this specific waiver request, if approved, does not create a technical challenge when applying net metering credits from this system's energy production to one additional aggregated meter. This additional meter also has a relatively low average daily use of 19 kilowatt-hours (or 6,935 kilowatt-hours per year).

We have included a copy of a similar approved waiver request for John Fox. While his system was a residential system, and WHIMOA's is a small nonresidential system, there are a few important parallels between these two projects. WHIMOA and Energy Solutions were not purposely attempting to circumvent the applicable rules, and the system was not installed with this goal in mind. It was an honest oversight given the proximity of the meters to each other. While the WHIMOA project is not considered residential, it is effectively serving 56 residential homeowners, all of which are also individual PGE ratepayers.

We appreciate your consideration of the waiver request, and the positive effect an approval would have on this community and their investment in renewable energy.

Sincerely,

Chet Zimmer, Director Energy Solutions, LLC

Carl Coffman, President West Hayden Island Moorage Owners Association

Entrance Gate meter

Community Garage

Pump Station meter



ITEM NO. CA4

PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: December 4, 2012

REGULAR CONSENT X EFFECTIVE DATE December 7, 2012

DATE: November 26, 2012

TO: Public Utility Commission

FROM: Phil Carver

- THROUGH: Jason Eisdorfer and Maury Galbraith
- **SUBJECT:** OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1631) Proposes approval of the request for an exemption from the two-feeder prohibition on aggregation for net metering.

STAFF RECOMMENDATION:

Staff recommends the Commission approve the customer's request to waive the requirement that his designated meter and the aggregated meter be on the same primary feeder.

DISCUSSION:

On November 2, 2012, John Fox filed a request under OAR 860-039-0005(2) to waive the requirement under OAR 860-039-0065(1)(c) that his designated and aggregated meter be on the same feeder for purposes of net metering. Mr. Fox is a customer of Portland General Electric (PGE). OAR 860-039-0065(1) addresses aggregating meters under the net metering program, and provides:

- (1) For the purpose of measuring electricity usage under the net metering program, a public utility must, upon request from a customer-generator, aggregate for billing purposes the meter that is physically attached to the net metering facility ("designated meter") with one or more meters ("aggregated meter") in the manner set out in this rule. This rule is mandatory upon the public utility only when:
 - (a) The aggregated meters are located on the customer-generator's premises or property that is contiguous to such premises;

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- (b) The electricity recorded by the designated meter and any aggregated meters is for the customer-generator's requirements, and;
- (c) The designated meter and the aggregated meters are served by the same primary feeder at the time of application.

OAR 860-039-0065(1)(c) requires that aggregated meters be on the same feeder to assure that power from a customer's generation does not flow through the distribution substation to get to the customer's load. Netting the generation and load on a single feeder reduces the need for distribution investments to serve net metering customers. This requirement is also in PGE's net metering tariff (Schedule 203).

In this case, the customer and his solar installer, Energy Unlimited, were unaware at the time the solar facilities were installed on the customer's premises that the two meters on his single-family residential property (one on the residence and one on a shop) are served by two feeders. This circumstance is almost unknown for residential customers. Typically, only large customers are served by two feeders.

Allowing the customer to aggregate the meters for billing purposes is warranted in this case. The solar facilities were installed on the customer's shop, which uses little electricity. If the customer is not allowed to use the electricity generated by the solar facilities to offset the electricity used at his house as well as the electricity used at his shop, he will get very little benefit from his investment.

Bruce Werner indicated that PGE does not oppose a waiver in this limited instance, given the particular facts and circumstances pertinent to this customer. PGE plans to revise its net metering application forms to specifically ask customers in the initial phase of the application process if they intend to participate in meter aggregation. If the customer indicates that they intend to aggregate, PGE will inform the customer of the limitations on aggregation and verify that the designated and aggregated meters are served by the same feeder. Staff notes that changes in PGE's application process do not reduce the responsibility of customer-generators and contractors to read and understand the requirements for aggregation in PGE's net metering tariff (Schedule 203).

Staff finds that the request of a waiver of the single-feeder requirement for aggregation meets the test of showing good cause for a waiver under OAR 860-039-005(2).

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PROPOSED COMMISSION MOTION:

The customer's request under OAR 860-039-0005(2), to waive the requirement under OAR 860-039-0065(1)(c) that aggregated meters be on the same feeder, be approved.