

# Arcadia

February 14, 2023

Oregon Public Utility Commission

Docket # UM 1930 - Community Solar Program

Re: Staff's Draft Modifications to Community Solar Program Implementation Manual

## **I. Introduction**

Thank you for the opportunity to provide feedback on Staff's second set of draft modifications to the Community Solar Program (CSP or Program) Program Implementation Manual (PIM). We appreciate Staff's work and responsiveness to comments previously submitted in this docket. In particular, we appreciate Staff's proposals to enable contract modifications that will both promote program flexibility and ensure that customers have a positive experience when participating in the Program.

Our comments today focus on the section entitled "New Proposed PIM Modifications Resulting from Written Comments." We have concerns regarding the interaction between Staff's intention to allow Project Managers (PMs) and their agents to establish waitlists and the limitation on the ability to contract with potential subscribers. As described in more detail below, Staff's recommendation to limit the ability of PMs and their agents to contract with subscribers prior to placing them on a project will result in an unworkable program design.

## **II. The Need for Contracted Subscriber Waitlists**

The basic principle of community solar is that the program allows individuals who may not have access to rooftop solar, including individuals who rent their own homes or the lack access to financing, to engage in the clean energy economy. Oregon's shift to a program for Tier 2 projects that requires fifty percent residential participation is significant and will provide residential customers greater opportunities to receive bill credit savings from community solar facilities. With the Program's focus on residential customers, the dynamics of customer subscription and the ability to enroll customers prior to project energization are both incredibly important.

Staff proposes that "only PMs and their agents may build waitlists of utility customers who are interested in the Program." Staff also proposes that "PMs and their agents may only sign contracts with Participants if they have available capacity on a pre-certified project to enroll that Participant." The requirement that the PM and their agent cannot enroll a customer in a waitlist and have them sign a subscription contract unless project capacity is available is a principle that does not exist in any community solar market in the country. In fact, the ability to build a list of subscribers that can backfill existing customers (e.g., if the existing customer moves or otherwise

leaves the program) is a foundational principle of community solar. This principle is what allows PMs to offer favorable terms to customers, such as no early termination fees and the ability to cancel at any time. These terms are *only* available when customer management is flexible and seamless - when one customer leaves the program, a new customer can be brought in to replace the departing customer.

If the PM does not have the ability to easily backfill a project when subscribers leave, it will make projects very difficult to finance and build. The reason for this is that customers who enroll in community solar are often renters who move more frequently and may need to leave the program quickly; therefore, a project could at any point in time have a high rate of unsubscribed capacity. If the project has to bear the risk of customer attrition without the ability to seamlessly transition new customers into the program, the risk to projects is so great that it will impair the ability to finance projects.

The best practice in this space is to allow PMs to build a waitlist where customers subscribe to projects that are (1) expected to come online at some point in the near future, or (2) are already energized but may see customer attrition and need new customers to backfill. A customer can then easily replace a departing customer and receive the bill credit benefits more quickly. This mechanism enhances the customer experience, as the customer is offered favorable and flexible terms such as no credit checks to determine eligibility for enrollment, no termination fees, and the ability to cancel their subscription at any time. If Staff's recommendation is implemented, PMs and their agents will be limited in their ability to both develop and retain customers.

### **III. Conclusion**

Arcadia thanks you for your time and consideration of these comments and recommendations. The customer experience is important, and we hope that Staff considers the unintended consequences of the new recommendations. We look forward to continuing to participate in Oregon's Community Solar Program and working with the Commission and its Staff to ensure that the CSP remains a workable and functioning program.

Sincerely,



Angela Navarro  
Head of State Regulatory Affairs  
Arcadia