



**Portland General Electric**  
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Public Utility Commission of Oregon  
201 High Street  
P.O. Box 1088  
Salem, OR 97308-1088

**RE: UM 1930 Staff recommendations regarding an Interim Bill Credit in lieu of RVOS.**

Portland General Electric (PGE) appreciates the opportunity to provide the following recommendations to the Oregon Public Utility Commission Staff ("Staff") related to Order # 18-088 whereby Staff is to develop and present to the Commission no later than April, 10, 2018 alternative bill credit rate proposals.

PGE appreciates the Commission's efforts to develop a workable framework for Community Solar. We continue to support the use of the RVOS (or some RVOS-based variant) as the basis for a Community Solar bill credit. Should an alternate rate be considered, we propose the following guidelines for Staff's consideration:

- Any 'alternate rate' that is higher than the utility RVOS filings with the intent of "incentivizing community solar participation" (as requested by Bonneville Environmental Foundation in their January 30, 2018 comments) should be limited to a pilot program with a clearly defined check-in. We would recommend that the pilot program be capped at 25 MW. PGE finds the hypothetical combination of an "incentive rate" with a lack of program cap to run counter to Order No. 18-088's instruction to have community solar subscriptions achieved "at the lowest cost possible to non-participants in order that cost shifting is minimized" (as originally instructed in SB 1547).
- If a pilot program with an alternate rate is initiated, completion of the pilot should serve as demarcation for purposes of identifying the end of the 'start-up' period. (SB 1547 requires utilities to absorb program start-up costs, this would clearly define the 'start-up' period.)
- Regarding the recovery of startup costs through a utility rider (per SB 1547), a "Community Solar Option" balancing account should be set up to allow timely recovery by the utilities of any and all start-up costs incurred by the utilities on behalf of the Community Solar Program. This balancing account would be subject to yearly true-up as costs are being recovered.



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- There is plenty of evidence that solar developers will pursue projects at current QF rates. Subscription revenue at no greater than the QF rate, net of marketing and administration costs, should be enough to interest developers of Community Solar projects as well.
- PGE does not necessarily oppose the use of an interim rate to enable the program to begin in a timely fashion. However, any alternate rate that is higher than the estimated RVOS amounts (per utility filings in UM 1910, UM 1911, and UM 1912) should refer to the RVOS framework developed as part of UM 1716. Said another way, we propose a “community solar adder” be a specifically identified part of the solar compensation price, as to clearly delineate the difference between RVOS and the community solar compensation rate.
- For low-income customers, there should be no upfront cost, term commitment or credit restrictions. Their subscription costs should be capped at the proposed bill credit. In other words, low-income customers would have unfettered access to green power (assuming they want it) at no incremental cost. There should be no additional subsidy (e.g. bill savings).

Sincerely,

A handwritten signature in blue ink that reads "Jay Tinker".

Jay Tinker

Director, Rates and Regulatory Policy

JT: np