

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 23, 2021**

REGULAR CONSENT EFFECTIVE DATE _____ N/A _____

DATE: February 16, 2021

TO: Public Utility Commission

FROM: Kacia Brockman

THROUGH: Bryan Conway, JP Batmale, and Sarah Hall **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 1930)
Use of Community Solar Program third-party interconnection review services to inform Staff interconnection report.

STAFF RECOMMENDATION:

Authorize the Community Solar Program Administrator to hire its third-party interconnection review services subcontractor to review utility interconnection studies for Community Solar Program (CSP) projects.

DISCUSSION:

Issue

Whether the Commission should authorize the Program Administrator to hire its subcontractor, EN Engineering, to perform third-party reviews of utility interconnection studies to support Staff's 12-month interconnection report to the Commission.

Applicable Rule or Law

ORS 757.386(2)(a) directs the Commission to establish a program that provides electricity customers the opportunity to share the costs and benefits of electricity generated by a community solar energy system.

On March 1, 2019, the Commission Chair executed a contract for the services of Energy Solutions as Program Administrator for the Community Solar Program. Under Section 7.1 of that contract, Energy Solutions shall not enter into any subcontracts for

any services required under the Contract without the prior written consent of the Department of Administrative Services or the Oregon Public Utility Commission.

Analysis

Background

On June 3, 2020, the Commission issued Order No. 20-185, authorizing the CSP Program Administrator to hire a third-party expert consultant to provide interconnection review services for Project Managers participating in the CSP.

On June 15, 2020, the Program Administrator issued a Request for Proposals for such services.

On October 10, 2020, the Program Administrator executed a subcontract with the winning bidder, EN Engineering (Consultant). The Consultant's contract became effective September 15, 2020, and is scheduled to terminate March 5, 2022.

Under the contract, the Consultant offers two tiers of interconnection review for eligible Project Managers: standard review and enhanced review.¹

- For standard reviews, the Consultant performs work under its contract with the Program Administrator. The Project Manager and the Program Administrator share the cost of the review. The Program Administrator's contract with the Consultant includes a cap of \$50,000 of matching funds for the Program Administrator.
- For enhanced reviews, the Consultant contracts directly with the Project Manager. The Project Manager is responsible for the full cost of the review.

Order No. 20-185 noted two goals in facilitating third-party interconnection review services for CSP projects. First is to provide value to Project Managers by verifying the cost and scope of upgrades identified in utility interconnection studies. Second is to provide the Commission with objective, technical insight to help identify and prioritize improvements to state-jurisdictional interconnection procedures.

In support of the second goal, Order No. 20-185 includes a provision allowing the Commission to request that the Consultant review a sample of publicly posted CSP interconnection studies if fewer than 10 interconnection standard reviews are conducted for Project Managers within the Consultant's contract period.

¹ To be eligible for review services, a CSP Project Manager must be registered and in good standing with the CSP and must have a project in a utility's CSP interconnection queue or pre-certified in the CSP.

After five months of the Consultant's contract, the Consultant has received no requests for standard review and one request for enhanced review.

Staff Recommendation

Given the lack of reviews performed by the Consultant to date, Staff recommends that the Commission utilize the provision allowing it to use the Consultant's review services directly. Staff requests that the Commission authorize this use of the Consultant now, rather than waiting until the end of the Consultant's contract, in order to inform Staff's 12-month CSP interconnection report, which Staff expects to present to the Commission April-May 2021.

The Program Administrator budgeted \$50,000 for matching funds for reviews for Project Managers. None of that budget has been spent to date. Staff proposes using no more than \$20,000 for the review studies for the Commission. This would leave at least \$30,000 in the budget to fund the Program Administrator's cost-share that may be requested by Project Managers over the next year, which allows for at least 12 standard reviews.

The Program Administrator developed a draft scope of work in consultation with Staff and the Consultant. The Consultant provided the Program a proposal to perform the proposed review and report the findings. The deliverable will be a written report reviewed with Staff and the Program Administrator. Staff and the Program Administrator find the Consultant's proposal to be reasonable.

The draft scope of work includes the following questions to be answered by the Consultant:

- 1) Are the planning assumptions made by Portland General Electric (PGE), PacifiCorp (PAC), and Idaho Power Company (IPC) generally reasonable compared to other utilities outside of Oregon, such as the threshold for the use of transfer trips and the goal of preventing back-feeding at the feeder level?
- 2) Are the solutions and associated costs proposed by PGE, PAC, and IPC in line with those made by other utilities?
- 3) Is the upgrade-specific pricing across studies consistent, or are any differences justified?
- 4) Does the level of detail and granularity provided by utilities allow developers to take informed action? If not, what additional information is needed and typically provided in other jurisdictions?
- 5) Do PGE, PAC, and IPC methods for estimating minimum daytime load appear reasonable and in line with other utilities?

- 6) Are there engineering or safety issues related to allowing low-side metering for large projects, or for projects in general?

Stakeholder Feedback

On January 22, 2021, Staff notified stakeholders in Docket No. UM 1930 of its intent to recommend the Commission authorize hiring the Consultant to review publicly available CSP interconnection studies in order to provide insights on the type and cost of upgrades required by the utilities. No stakeholder expressed objection or offered comments.

Conclusion

Staff finds that the Commission's original goal to obtain objective interconnection insights from the CSP third-party reviewer is still relevant. Given the lack of reviews conducted for CSP Project Managers, and the near-term opportunity to include the Consultant's findings in Staff's 12-month CSP interconnection report, Staff finds good cause to use a portion of the third-party review budget to hire the Consultant to perform reviews for the Commission. Staff and the Program Administrator find the Consultant's proposal reasonable and anticipate that the remaining cost-share budget will be sufficient to fund reviews requested by Project Managers in the future.

PROPOSED COMMISSION MOTION:

Authorize the Program Administrator to hire its third-party interconnection review services subcontractor to review utility interconnection studies for CSP projects.