



November 27, 2018

Oregon Public Utility Commission
Attn: Seth Wiggins
201 High Street SE, St. 100
Salem, OR 97301

RE: AR 622, Community Based Renewable Energy Projects

Introduction

The Bonneville Environmental Foundation (BEF) appreciates the opportunity to comment on the 8% Community Based Renewable Energy Project requirement under SB 1547. BEF believes that as we undergo an energy transition, renewable energy has the ability provide meaningful economic benefits to communities. In order to ensure the intent of this legislation is carried out, we would urge the PUC to provide fair rules and oversight in order to assist in these economic benefits being realized by communities across Oregon.

“Aggregate Electrical Capacity”

Peak load does not equal the system capacity for a utility, but it does inform the required capacity and resource adequacy that a utility must retain. A reserve margin must be built into a utilities system capacity in order to adequately serve the peak load. Not to mention the capacity contributions of variable resources are valued much less than nameplate in the calculation of needed generating capacity. We should not be using contradicting metrics for this evaluation and we need not reinvent the wheel for AR 622 by trying to redefine capacity for a utility system or a variable renewable resource. These values are already quantified in these utility IRPs and have been approved through the PUC’s UM 1719 which has directed utilities to use the Effective Load Carrying Capacity (ELCC) methodology or Capacity Factor (CF) methodologies for calculation capacity contributions of variable renewable resources.

Points of Agreement

- Project must be based in Oregon
- RECs are required for compliance



Points of Disagreement

- Nameplate capacity of Small-Scale Renewable Energy Projects (SSREP) is not the appropriate metric to quantify 8% of the aggregate electrical capacity. Nameplate capacity is not the metric that utilities value in their IRP, rather the capacity contribution of renewable resources is quantified.
- The informal SB 1547 working group opinions from 2016 do not mean that peak load is now the appropriate measurement for “aggregate system capacity”. Nowhere in the utility industry is load conflated with capacity. Adding up the nameplate capacity of all the resources will never equal the precise capacity contribution of these resources to the utility’s peak load. This is evidenced by a utility’s IRP. If the peak load figure is used, then a calculation of the coincident peak production of the aggregate SSREPs to the utility peak load should be conducted.
- Utility owned projects should not be included in community-based criteria. The very reason to require community-based projects is to encourage diversity, competition, and economic benefits for Oregon in a different manner from traditional utility procurement. There may be room for interpretation for certain projects that the utility eventually acquires from the original developer or owner.
- BEF would recommend that the evaluation either revert to the value annual energy produced from SSREPs vs annual utility sales or compare capacity contributions of SSREPs to aggregate generating capacity contribution of all utility resources.

Conclusion:

We appreciate the PUC and stakeholders’ interest in ensuring that all Oregonians are engaged and enhanced by the energy transition underway. Distributed, community-based, renewable energy will be a cornerstone of sustainable, resilient, and thriving Oregon.

A handwritten signature in black ink, appearing to read 'Evan Ramsey', is written over a light blue dotted circular graphic.

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