



September 28, 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 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 rules or oversight in order to assist in these economic benefits being realized by communities across Oregon.

## **“Community-Based”**

In order to determine which projects would comply we need to arrive at what community-based means for Oregon. ORS 469A.210 currently reads: “The Legislative Assembly finds that community-based renewable energy projects, . . . are an essential element of this state’s energy future.”

Below are definitions of “community-based”:

- Cambridge Dictionary: used to describe an activity that is organized and takes place locally
- Oxford Dictionary: focusing on or relating to the community

The interpretation of these definitions and the legislative intent infers that community-based renewable energy projects should be organized and benefitting the local Oregon community. If the community is not meaningfully engaged in the projects and/or benefitting from them they should not be considered under this requirement. For the above reasons we would recommend separating projects by the following attributes:

### **Ineligible Projects:**

- Resources that are utility owned
- Renewable QFs where the utility does not acquire the RECs

bonneville environmental foundation

240 southwest 1st ave.  
portland, oregon 97204

503.248.1905  
www.b-e-f.org



- Projects selling to a utility under a PPA where the utility does not acquire the RECs
- Projects not located in Oregon

#### Eligible Projects:

- QFs selling to a utility where the utility acquires the RECs
- Net metered renewable resources where the utility acquires the RECs
- Community Solar or other eligible renewable energy projects, where ownership is distributed among community residents
- Projects organized or owned by local governments in Oregon
- Renewable resources directly serving a utility customer's load that are not net metered, such as microgrids or non-exporting resources.

#### **“Aggregate Electrical Capacity”**

As the definition of capacity determines much of the subsequent analysis and compliance we see this as a critical area of clarification. Of note is the prior State RPS bill used an 8% of *electricity* definition with SB 1547 changing to the capacity language. BEF would caution that this seemingly innocuous change in language may have dramatic impacts on the calculation and compliance with this SB 1547 requirement. We also note that using differing metrics such as capacity can lead to apples to oranges comparisons.

As much of the community-based renewables will have varying capacity factors, we would suggest that the 8% of electrical capacity term reflect the capacity *value* that these resources bring to Oregon's utility system. One could easily reference prior utility IRP or RVOS PUC filings to determine what system capacity value is assigned to a solar or wind resource, which will be a very different number from an individual system's peak nameplate capacity.

Alternatively, as the requirements for renewable energy under SB 1547 all reference *electricity* sales, changing the compliance metrics for community-based projects would be a diversion from the standard renewable compliance evaluation. As an alternative evaluation, BEF would recommend using electricity sales in lieu of electrical capacity to avoid more complex evaluations of State's electrical capacity.

#### **Additional Questions/Comments:**

- Due to complexity and lack of available information contract length may not need to be a factor into this evaluation, provide utilities can show compliance annually, post 2025.
- Regardless of which agency provides compliance and oversight of this requirement, what mechanisms are in place to assure progress toward and compliance with the target?
- Are consumer owned utilities over 25,000 customers included in this requirement and how will their electrical capacity be calculated?



- The PUC has previously required community solar projects over 360kW to retire their RECs on behalf of the project participants. If RECs are required as part of AR 622 then this could either exclude community solar or necessitate a change in the REC treatment for community solar. Similar issues around REC treatment could pertain to net metered systems.
- Should banked RECs be allowed for compliance, or only RECs generated in 2025 and beyond?

**Conclusion:**

Upon review of the language and intent of ORS 469A.210 there is a substantial amount of complexity and variety in which the requirement could be fulfilled. This should certainly be explored and analyzed more by the PUC and stakeholders. 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, thriving Oregon.

Evan Ramsey  
Director, Renewable Energy Group  
Bonneville Environmental Foundation  
1500 SW 1st Ave. #885  
Portland, OR 97201  
Direct: 503-553-3933  
[eramsey@b-e-f.org](mailto:eramsey@b-e-f.org)  
<http://b-e-f.org>