



# Oregon

Kate Brown, Governor

## Public Utility Commission

201 High St SE Suite 100

Salem, OR 97301-3398

**Mailing Address:** PO Box 1088

Salem, OR 97308-1088

503-373-7394

June 7, 2019



By Email:

Lisa Nordstrom

lnordstrom@idahopower.com

dockets@idahopower.com

RE: Advice No. 19-05

At the public meeting on June 6, 2019, the Commission adopted Staff's recommendation in this matter docketed as ADV 962. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

ITEM NO. CA2

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: June 6, 2019

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE June 9, 2019

DATE: May 30, 2019

TO: Public Utility Commission

FROM: Natascha <sup>NBS</sup>Smith and Caroline <sup>CM</sup>Moore

THROUGH: Jason <sup>EPK</sup>Eisdorfer and JP <sup>JPB</sup>Batmale

SUBJECT: IDAHO POWER COMPANY: (Docket No. ADV 962/Advice No. 19-05)  
Requests New Schedule 99 Community Solar Program Start-Up Cost  
Payment Authorization.

**STAFF RECOMMENDATION:**

Staff recommends that the Commission approve Idaho Power Company's (IPC or Company) Advice No. 19-05, creating Schedule 99, Community Solar Program Start-Up Cost Payment Authorization, effective June 9, 2019.

**DISCUSSION:**

Issue

Whether the Commission should approve Idaho Power's new Schedule 99, process to remit monthly payments for Program Administrator (PA)/ Low Income Facilitator (LIF) start-up services associated with the Community Solar Program (CSP).

Applicable Rule or Law

- ORS 757.205 requires that public utilities file with the Oregon Public Utility Commission of Oregon (OPUC or Commission) schedules showing all rates, rules, and charges for all services offered within the State of Oregon.
- ORS 757.210 establishes a hearing process to address utility filings and requires rates be fair, just and reasonable.

- ORS 757.386(7) specifies different treatment for the start-up and ongoing costs of the CSP.
  - Start-up costs: Utilities may recover prudently-incurred program start-up costs as well as costs of energy purchased from CSP projects (Projects) from all ratepayers.
  - Ongoing costs: Owners and subscribers (i.e., program participants) bear the cost to construct and operate Projects, plus ongoing program administration costs.
- OAR 860-022-0025 requires that new tariff filings include statements showing the new rates, the number of customers affected, the impact on annual revenue, and the reasons supporting the proposed tariff.
- OAR 860-088-0160(1)(b) clarifies that start-up PA and LIF costs are recoverable in rates of all ratepayers. Further, the rules specify that utilities' prudently-incurred start-up costs recoverable from ratepayers include, but are not limited to, costs associated with customer account information transfer and on-bill crediting and payment, but exclude any costs associated with the electric company developing a project.

### Analysis

In Order No. 19-122 the Commission adopted Staff's recommendations for Community Solar Start-Up Cost Recovery and Remittance of Funds to the Program Administrator. As part of these adopted recommendations, utilities are required to remit payment to Energy Solutions within 15 days of notice of their monthly allocation of PA/LIF start-up costs from Staff. Further, Staff's adopted recommendations included a recommendation that Idaho Power, Portland General Electric Company, and PacifiCorp file tariffs specifying the process for remittance of payment for start-up costs.

The purpose of this advice filing is to establish the tariff governing the remittance of payments for PA/LIF start-up services. This tariff does not alter or change rates; rather it establishes a process for payment to the PA and LIF. After review, Staff determined that this tariff is consistent with Commission direction laid out in Order No. 19-122.

### Conclusion

Staff recommends that the Commission approve the proposed tariff.

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**PROPOSED COMMISSION MOTION:**

Approve Idaho Power's Advice No. 19-05, creating Schedule 99, to institute its new tariff, effective June 9, 2019.

UM 1930- Idaho Tariff creating Schedule 99

**SCHEDULE 99  
COMMUNITY SOLAR PROGRAM  
START-UP COST PAYMENT AUTHORIZATION**

**PURPOSE**

The Oregon Community Solar Program (“Program”), passed by the 2016 Oregon Legislature, and codified as Oregon Revised Statute 757.386, allows individuals and entities to participate in the purchase and development of solar energy projects that are not co-located at their properties or residences. The Program rules were adopted by the Commission in Order No. 17-232 and codified under Oregon Administrative Rules (“OAR”) 860-088-005 through 860-088-0190.

The purpose of this schedule is to authorize the Company to remit payment to the Program Administrator (“PA”) and Low-Income Facilitator (“LIF”) during the start-up phase of the Program, as detailed in OAR 860-088-0160.

**INVOICE AND PAYMENT PROCESS**

The Commission approved the following PA/LIF invoice and payment process in Order No. 19-122:

1. Commission Staff performs the PA/LIF monthly invoice review:
  - On the 15th of every month in which start-up costs are incurred, beginning on April 15, 2019, Energy Solutions, the PA, will provide Commission Staff with a detailed monthly invoice for start-up costs that includes hours per employee per task, expenses incurred per task, progress toward completion of tasks, and expenses incurred in relation to the not-to-exceed amount established in the contract.
  - Commission Staff will review the invoice against the Program budget provided by Energy Solutions.
  - Commission Staff will approve a total monthly invoice amount and notify Energy Solutions via email within thirty (30) days of receipt of the invoice.
  
2. Commission Staff applies the utility cost allocation factor:
  - Following approval of the monthly invoice amount, Commission Staff will calculate each utilities' allocation per the method adopted by the Commission and shown in the table below.

| <b>Company</b>            | <b>Average Customers<br/>Source: 2017 stat book</b> | <b>Allocation</b> |
|---------------------------|---|-------------------|
| Portland General Electric | 870,333   | 59.22%            |
| PacifiCorp                | 580,492   | 39.50%            |
| Idaho Power Company       | 18,937  | 1.29%             |

- Commission Staff will notify each utility of its monthly allocation of PA/LIF start-up costs via email within thirty (30) days of receipt of the invoice.
3. The Company will remit payment directly to Energy Solutions:
    - The Company will remit payment to Energy Solutions in the amount directed by Commission Staff.
    - Payment will be made in a manner agreed upon by Energy Solutions and the Company.
    - Payment by the Company to Energy Solutions is due within fifteen (15) days of notice (Step 2).