OSEIA
Oregon Solar Energy Industries Association

21 June 2016

Via Email

Oregon Public Utility Commission
201 High St SE
Salem, Oregon 97301

Re: OSEIA Comments in UM 1020

In the Matter of the Public Utility Commission's Recommendation for Portfolio Options pursuant to ORS 757.603(2) and OAR 860-038-0220

The Oregon Solar Energy Industries Association (OSEIA) appreciates the opportunity to provide brief comments in follow up to the workshop held on June 9, 2016 regarding the combined use of funds collected from ratepayers participating in the utilities' voluntary grant funding programs. OSEIA urges that the staff memo recommend that the Commission return to the long practice of allowing the two types of funds be used together to develop small-scale renewable energy projects.

The discussion at the June 9, 2016 workshop covered many of the areas of concern around changing the practice that allowed ratepayer funds – collected in the form of public purpose dollars – to be used in conjunction with dollars collected through the voluntary renewable energy options. That practice has allowed projects to be developed that would not otherwise have happened. The fear that was expressed in the workshop was that some projects that were not able to leverage both types of funding might not get developed.

There was also a substantial conversation about the need to ensure that the various types of funding receive the appropriate level of value, mostly in the form of RECs, in proportion to the level of funding each provides to a specific project. The discussion underscored a recognition that this type of accountability happened today and there was also an understanding that, depending on the funding source, some of the RECs could be used for compliance with Oregon's Renewable Energy Standard – if they were derived from public purpose funding - and some could not – if they were derived from voluntary renewable energy options funding. There was no stated need to change that accountability stream.

Finally, one area that was touched on early in the workshop but missed a more thorough discussion was the concern about ultimate utility ownership of the developed projects. The Commission has a concern about ensuring a diversity of ownership of renewable energy projects. OSEIA appreciates this concern. We believe the solution is to allow non-utility-owned projects to combine funds from public purpose dollars and from voluntary renewable energy options but to not allow utilities to access both types of funds.

While this would be a change in policy, it may not have much effect in practice. One utility – Portland General Electric – has stated in other settings that it does not intend to access its Renewable Energy Development Funds (those derived from its voluntary renewable energy options) for its own projects. While we do not believe Pacificorp has made a similar statement, it is worth nothing that the company has not accessed those funds for its own projects. It is regrettable that we did not spend more time on this specific issue in the workshop but it may be worth Staff clarifying with the utilities about the impact of taking this approach. Our suspicion is that the policy approach will not have a detrimental effect on the development of projects while disallowing the funds to be used together would have such a detrimental effect.

In conclusion, we urge Staff to recommend that the Commission return to its practice of allowing projects to combine the use of public purpose dollars and voluntary renewable energy option dollars so that more renewable energy projects can be developed. If that practice is not restored, it is very likely that some projects will not be developed.

Thank you again for this opportunity to provide additional comments in this matter. If you have the need for additional information, please contact Jeff Bissonnette at jeff@oseia.org.