## BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON UM 2000

In the Matter of

PUBLIC UTILITY COMMISSION OF OREGON,

Investigation into PURPA Implementation

OREGON SOLAR + STORAGE INDUSTRIES ASSOCIATION COMMENTS ON STAFF'S STRAW PROPOSAL

The Oregon Solar + Storage Industries Association ("OSSIA") timely submits these comments on the Oregon Public Utility Commission ("Commission") Staff's Straw Proposal for the Phase 0 Interim Solar Plus Storage Rate ("Staff's Proposal"). For the reasons laid out below, OSSIA is generally supportive of Staff's Proposal and seeks clarification of some aspects.

## I. Comments

OSSIA agrees with the comments made by the QF Trade Associations; Staff's Proposal is a reasonable compromise for an interim solution. OSSIA would like to commend staff for striking a balance between the myriad of differing proposals from the QF Trade Associations and the utilities. The choice to utilize the premium peak hours to incent battery dispatch during times when the utility faces the greatest loss of load probability is reliable way to ensure the utilities are receiving the capacity contribution from the energy storage system. Additionally, OSSIA commends Staff's decision to avoid premium peak hour variation during the contract term. It may be helpful for Staff to provide an example to show how they envision the premium peak hours working in practice.

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A single day of a month should not be able to have more than 4 premium peak hours, as Staff's Proposal restricts batteries to no more than 4 hours in duration. OSSIA would like some additional clarification on the size of battery systems eligible for the interim rate. Staff's Proposal indicates, "the battery may be of no more than four hours in duration." OSSIA believes it would provide clarity if the proposal indicated the rate is for "up to" four-hour battery systems.

OSSIA would like some clarification on Staff's Proposal as it relates to the ratio of storage to the nameplate capacity of the solar energy system. While Staff indicated they are leaning towards utilizing a 1:1 capacity ratio, OSSIA has concerns that a 1:1 ratio does not optimize the production of the system as a whole and could be potentially cost prohibitive. The optimal ratio will likely fall in the range recommended by PGE, from 1:4 up to 1:1, and will be determined by the solar production characteristics of a site and the rate determined by this proceeding. OSSIA's concerns may be addressed by clarification of where the ratio is determined.

OSSIA would appreciate some clarification of the 50-MW cap per utility, the cap should only apply to the interim standard rate. A Qualifying Facility ("QF") that would be eligible for the standard rate after the cap is reached, should still be eligible to negotiate a non-standard rate. Additionally, OSSIA's support is conditioned upon the Commission clarifying that while systems larger than 3 MW cannot rely on standard contracts terms of the approved interim rate, the cap is not meant to have a chilling effect on larger systems seeking a negotiated contract that compensates them for the capacity they provide.

OSSIA is supportive of the procedural schedule laid out in Staff's Proposal to implement the proposed standard rate for solar-plus-storage QFs. While we anticipated the rates going into effect with the May 1st Update, the proposed revisions provide sufficient time for utilities to

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implement an interim rate. OSSIA believes the optional April 28th workshop would be an excellent opportunity to address issues identified in comments and provide clarity before the May 16th Public Meeting.

OSSIA is very appreciative at the speed that Staff was able to come to this proposal and supports the efforts to enable small QFs to increase their contributions to the grid by utilizing batteries.

Dated this 25<sup>th</sup> day of April 2023.

Respectfully Submitted,

Oregon Solar + Storage Industries Association

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