

July 27, 2020

VIA ELECTRONIC FILING

Public Utility Commission of Oregon Attn: Filing Center 201 High Street SE, Suite 100 Salem, OR 97301-3398

RE: Advice 20-007 – Schedule 127 Community Solar Program – Optional Participation for Qualifying Customers

On June 29, 2020, PacifiCorp d/b/a Pacific Power (PacifiCorp) submitted for filing with the Public Utility Commission of Oregon (Commission) Advice Letter 20-007 proposing to establish new a new tariff schedule, Schedule 127, for the Community Solar Program. In its filing, PacifiCorp requested an effective date of July 29, 2020.

After discussions with Commission staff, PacifiCorp respectfully requests an effective date of August 14, 2020, to provide additional time for review.

In addition, after discussion with Commission Staff, PacifiCorp is proposing two changes to the description of Program Fees on page 2 of Schedule 127. The first change clarifies that Bill Credits will be applied to offset Program Fees as well as utility charges and Participation Fees. The second change clarifies that Program Fees are subject to annual adjustment, and that the Program Administrator Fee and Utility Fee that comprise the Program Fees are not capped at the values listed in the tariff. PacifiCorp is proposing the following changes:

<u>Bill Credit</u>. The Company will apply a credit to each Participant's monthly utility bill in accordance with the process and calculations set forth in ORS 757.386(6), OAR 860-088-0170, and the Program Implementation Manual. Bill credits will be applied to offset utility charges, <u>P</u>participation <u>Ffees</u>, <u>and Program Fees</u>. The Program Administrator will calculate the value of a bill credit based on the Participant's share in the total Project generation multiplied by the Project's Bill Credit Rate.

<u>Program Fees</u>. The Company will apply Program Fees, if applicable, to each Participant's utility bill. Program Fees will be based on each Participant's Participation Interest in the Project. Program Fees will consist of a Program Administrator Fee and a Utility Fee. Program Fees may be subject to an annual adjustment, but will not exceed and are currently set at the following amounts:

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Please direct any informal inquiries regarding this filing to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

Michael Wilding

Director, Net Power Costs and Regulatory Policy

Enclosure



COMMUNITY SOLAR PROGRAM OPTIONAL FOR QUALIFYING CUSTOMERS

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(N)

Available

In all territory served by Company in Oregon.

Applicable

To consumers who participate as Participants in an eligible Project under the Community Solar Program. All consumers receiving service under Schedule 201 are eligible to participate, except those receiving service under Schedules 15, 50, 51, 52, and 53. This Schedule is offered in compliance with ORS 757.386, OAR 860-088-0005 through 860-088-0190, and the Program Implementation Manual.

Definitions

<u>Annual Billing Period</u> means the period beginning on the first day of the April billing month and running through the close of the March billing month, unless the Company and Project Manager agree otherwise.

<u>Bill Credit Rate</u> is the rate, reflected as a dollars per kilowatt-hour value, at which the Company will provide credits to a Participant for the energy produced by their Participation Interest in a Project. The Oregon Public Utility Commission will assign a Bill Credit Rate to each Project at the time of Project pre-certification. A Project's Bill Credit Rate will remain fixed for the term of the CSP Purchase Agreement.

<u>CSP Purchase Agreement</u> means the power purchase agreement between Company and Project Manager as described in the Company's Schedule 126.

<u>Low-Income Participant</u> means a Participant that meets the low-income requirements set forth in the Program Implementation Manual, as identified by the Project Manager and verified by the Low-Income Facilitator.

<u>Participant</u> means an owner or subscriber of a Project as those terms are defined in OAR 860-088-0010(6) and (15).

<u>Participation Interest</u> means a Participant's proportional share of a Project, defined on a capacity basis.

<u>Program Administrator</u> means the third-party entity directed by the Commission to administer the Community Solar Program.

<u>Program Administrator Fee</u> means the fee that the Company collects on each Participant's utility bill to fund the Program Administrator and Low-Income Facilitator, in accordance with OAR 860-088-0120(3)(b).

<u>Program Fees</u> are fees that the Company collects on each Participant's utility bill to fund the administration of the Community Solar Program in accordance with OAR 860-088-0160(2) and the Program Implementation Manual. Low-Income Participants are not subject to Program Fees. Program Fees include a Program Administrator Fee and a Utility Administration Fee. Program Fees, expressed in terms of \$/kW/month, are subject to Commission approval and adjusted annually.

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(N)

Definitions (continued)

<u>Program Implementation Manual</u> means the set of guidelines and requirements for implementing the Community Solar Program adopted by the Commission in Order 19-438, as may be periodically amended.

<u>Project</u> means a solar photovoltaic energy facility used to generate electric energy on behalf of Participants and for which Participants receive credit on their electric bills as provided in OAR Chapter 860, Division 88, and the Program Implementation Manual.

<u>Project Manager</u> is the entity having responsibility for managing the operation of a Project, as defined in ORS 757.386(1)d).

<u>Utility Fee</u> means the fee that the Company collects on each Participant's utility bill to fund the Company's administration of the Community Solar Program, in accordance with OAR 860-088-0160(2).

Billing

<u>Bill Credit</u>. The Company will apply a credit to each Participant's monthly utility bill in accordance with the process and calculations set forth in ORS 757.386(6), OAR 860-088-0170, and the Program Implementation Manual. Bill credits will be applied to offset utility charges, Participation Fees, and Program Fees. The Program Administrator will calculate the value of a bill credit based on the Participant's share in the total Project generation multiplied by the Project's Bill Credit Rate.

<u>Bill Credit Rate</u>. The Oregon Public Utility Commission will establish a Project's Bill Credit Rate at the time of Project pre-certification. The Commission has adopted the following Bill Credit Rates based on the capacity of pre-certified projects to come online in the Company's Service Territory:

1) \$0.0977/ kWh – applies to first 32.3 MW in the Company's service territory

<u>Participation Fees</u>. The Company will apply ownership or subscription fees, if applicable, to each Participant's utility bill in the amounts determined by the Program Administrator. Ownership or subscription fees will be based on the terms of each Participant's agreement with the Project Manager.

<u>Program Fees</u>. The Company will apply Program Fees, if applicable, to each Participant's utility bill. Program Fees will be based on each Participant's Participation Interest in the Project. Program Fees will consist of a Program Administrator Fee and a Utility Fee. Program Fees may be subject to an annual adjustment, and are currently set at the following amounts:

Program Administrator Fee: \$0.85 /kW/month Utility Fee: \$0.27 /kW/month

Program Fees (total): \$1.12 /kW/month

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Billing (continued)

Excess Credit. If a Participant accrues Bill Credits that exceed the eligible expenses on their monthly utility bill, the excess Bill Credit amount will be carried forward and applied to the Participant's subsequent utility bills. In accordance with the Program Implementation Manual, a Participant may not cash out carryover Bill Credit amounts.

Annual Bill Credit Reconciliation. Under OAR 860-088-0090(2) and OAR 860-088-0170(4), a Participant is not permitted to receive Bill Credits for more energy than they consume on an annual basis. If a Participant's Participation Interest in a Project generates more energy than their annual usage, the Company will apply a reconciliation charge to the Participant's next monthly bill based on calculations performed by the Program Administrator and in accordance with the process set forth in the Program Implementation Manual. A Participant's annual excess generation will be calculated based on the Participant's usage and their share of Project generation during the Annual Billing Period.

<u>Timing</u>. In accordance with the Program Implementation Manual, the Company will post a Participant's Bill Credits to their account on the ninth calendar day of each month, unless the ninth calendar day is a Sunday or holiday, in which case Bill Credits will post on the following calendar day. If a Participant's billing period ends after the ninth of the month, their bill will reflect their Bill Credits for the previous month. If a Participant's billing period ends before or on the ninth of the month, their bill will reflect a one-month lag in the application of Bill Credits.

Nonpayment and Underpayment. In accordance with the Program Implementation Manual, the Company will recover any unpaid Participation or Program Fees on the Participant's next monthly utility bill. At the direction of the Program Administrator, the Company will suspend the application of Bill Credits or terminate a Participant's Participation Interest for failure to pay Participation and Program Fees in full.

<u>Utility Disconnection</u>. If the Company disconnects a Participant's utility service temporarily, the Company will apply the Bill Credits, Participation Fees and Program that accrue during the period of disconnection to the Participant's next monthly utility bill, in accordance with the Program Implementation Manual. Depending on the terms agreed to between a Participant and the Project Manager, utility disconnection may result in the early termination of a Participant's Participation Interest.

Special Conditions

<u>Portability</u>. A Participant may retain their Participation Interest in a Project if they relocate to another site within the Company's Service Territory in accordance with the terms of the Program Implementation Manual and, if applicable, their agreement with the Project Manager.

<u>Transferability</u>. A Participant may transfer their Participation Interest in a Project to another eligible customer of their choosing in accordance with the terms of the Program Implementation Manual and, if applicable, their agreement with the Project Manager. Any fees assessed by the Project Manager for the transferal of a Participant's Participation Interest will not be reflected on the Participant's utility bill. When a Participant transfers their Participation Interest to another customer, the Company will continue to apply any Excess Credit amounts to the Participant's utility bill.

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Original Sheet No. 127-3

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Issued July 27, 2020 Etta Lockey, Vice President, Regulation

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Special Conditions (continued)

<u>Transferability</u> (continued)

If the Participant terminates utility service with the Company, the Company will donate any Excess Credit amounts associated with the Participant's Participation Interest to the Company's low-income program.

<u>Changes</u>. A Participant may change the size of their Participation Interest in accordance with the terms of the Program Implementation Manual and, if applicable, their agreement with the Project Manager. Any fees assessed by the Project Manager to change the size of a Participant's Participation Interest will not be reflected on the Participant's utility bill. Low-Income Participants are not subject to change fees.

Early Termination. A Participant or a Project Manager may terminate a Participant's Participation Interest before the end of their contract term, in accordance with the terms of the Program Implementation Manual, and, if applicable, their agreement with the Project Manager. Any early termination fees assessed by the Project Manager will not be reflected on the Participant's utility bill. When a Participant or Project Manager terminates a Participant's Participation Interest, the Company will donate any Excess Credit amounts associated with the Participant's Participation Interest to the Company's low-income program in accordance with the process described in the Program Implementation Manual.

<u>Completion</u>. A Participant's Participation Interest is complete when the Company applies the final Bill Credit amounts to the Participant's monthly utility bill and the Company completes the final Annual Bill Credit Reconciliation.

<u>Term</u>. This Schedule will apply for the term agreed to between a Participant and the Project Manager, not to extend beyond the end date of the Annual Billing Period following the termination of the Project Manager's CSP Purchase Agreement.

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