# ITEM NO. CA6

# PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: May 17, 2022

REGULAR \_\_\_\_ CONSENT X EFFECTIVE DATE \_\_\_\_ May 18, 2022

- **DATE:** May 9, 2022
- **TO:** Public Utility Commission
- **FROM:** Joe Abraham

THROUGH: Bryan Conway, JP Batmale, and Sarah Hall SIGNED

**SUBJECT:** OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1930) Proposes allowing Portland General Electric Community Solar Program interconnection queue to accept new applications for general market capacity projects.

### STAFF RECOMMENDATION:

The Public Utility Commission of Oregon (Commission) should direct Portland General Electric (PGE) to accept new applications for general market capacity projects to its Community Solar Program interconnection queue beginning May 18, 2022.

#### DISCUSSION:

#### lssue

Whether the Commission should direct PGE to accept new applications for general market capacity projects to its Community Solar Program (CSP or Program) interconnection queue beginning May 18, 2022.

#### Applicable Rule or Law

ORS 757.386(2)(a) directs the Commission to establish a program that provides electricity customers the opportunity to share the costs and benefits of electricity generated by a community solar energy system.

On June 29, 2017, in Order No. 17-232, the Commission adopted formal rules for the CSP under OAR Division 88 of Chapter 860.

Docket No. UM 1930 May 9, 2022 Page 2

On November 8, 2019, the Commission issued Order No. 19-392, requiring electric companies to establish an interconnection queue exclusively for CSP projects, and to accept new applications into that queue until the end of an 18-month period or until the aggregate capacity of generators with an executed CSP interconnection agreement and CSP pre-certification equals 2.5 percent of the electric company's 2016 system peak load, whichever comes first.<sup>1</sup>

On June 15, 2021, the Commission issued Order No. 21-199, restricting PGE and PAC's CSP interconnection queues to carve-out-eligible projects and pausing the CSP interconnection queues for general market capacity projects.

On September 21, 2021, the Commission issued Order 21-317, approving release of the remainder of the initial capacity tier.

On January 11, 2022, the Commission issued Order No. 22-007, approving the rolling over of unallocated interim tier capacity into the remaining capacity in the initial tier.

# <u>Analysis</u>

# Background

Order No. 19-392 established time-based and capacity-based criteria for pausing acceptance of new interconnection applications to a utility's CSP queue:

Unless the Commission chooses to extend the rule, the utility will accept interconnection applications under the CSP rule for 18 months following the rule's adoption or until the aggregate capacity (MWac) of generators with an executed CSP interconnection agreement that have received pre-certification equals the utility's capacity tier (2.5 percent of 2016 system peak load), whichever comes first.<sup>2</sup>

In Order No. 21-199, the Commission allowed the time-based limit to go into effect on June 16, 2021, for general market capacity CSP projects. In Order No. 21-199, the Commission also acknowledged Staff's recommendation to revisit the time-based limit on general market capacity CSP project applications after the Commission made a decision about releasing additional Program capacity.

<sup>&</sup>lt;sup>1</sup> Order No. 19-392, Appendix A, p. 49. Note that PGE and PAC established CSP Queues, but Idaho Power did not. Instead, Idaho Power applies CSP rules to CSP project interconnection requests, but assigns CSP projects queue positions in the standard interconnection queue. See Idaho Power Advice No. 20-01, dated May 14, 2020.

Docket No. UM 1930 May 9, 2022 Page 3

In Order No. 21-317, the Commission approved release of the remainder of the initial capacity tier. In Order No. 22-007, the Commission also approved rolling over unallocated interim tier capacity into the remaining capacity in the initial tier. Staff and the CSP Program Administrator have since begun the process of pre-certifying new general market capacity projects requesting remaining initial tier capacity. Once this is complete, Staff expects 9.72 MW of unallocated capacity to be available in PGE territory for additional general market capacity projects. Staff does not expect any remaining capacity in the initial tier for additional general market capacity projects in PAC territory.

# Staff's Proposal

Staff proposes the Commission remove the time-based limit enacted in Order No. 21-199 to add general market capacity projects to PGE's CSP interconnection queue. Removing the time-based limit would allow projects to again take advantage of the PGE's CSP-specific interconnection queue established in Order No. 19-392, which will improve the speed at which CSP projects move through the interconnection process. Staff recognizes that the aggregate capacity limit established in Order No. 19-392 still applies and expects to bring a recommendation to the Commission regarding future limitations on PGE's CSP interconnection queue as the Program allocates remaining capacity in PGE's territory to general market capacity projects.

With Program capacity remaining in PGE territory for general market capacity projects, Staff finds value in removing the time-based limit on general market capacity project applications to PGE's CSP interconnection queue. Staff thinks that by removing the time-based limit, future proposed projects can participate in the CSP-specific queue and that the Program can more efficiently allocate remaining Program capacity to precertified projects.

#### Stakeholder Feedback

Staff has shared the proposal with stakeholders and has not received any feedback expressing concern for accepting new applications to PGE's CSP interconnection queue for general market capacity projects beginning May 18, 2022.

#### **Conclusion**

Staff anticipates over 9 MW of unallocated capacity is available in PGE territory for additional general market capacity projects. By removing the time-based limit, Staff hopes the Program can more efficiently allocate remaining Program capacity to precertified projects.

Docket No. UM 1930 May 9, 2022 Page 4

# **PROPOSED COMMISSION MOTION:**

Direct PGE to accept new applications for general market capacity projects to its Community Solar Program interconnection queue beginning May 18, 2022.