

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1538

In the Matter of

KRISTIN HAYWOOD,

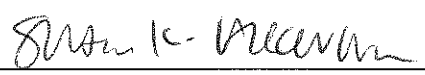
Request for a Waiver of Certain Rules
Regarding a Solar Photovoltaic System
Installation Pursuant to OAR 860-084-
0000(3).

ORDER


DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

This order memorializes our decision, made and effective at the public meeting on June 18, 2013, to adopt Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

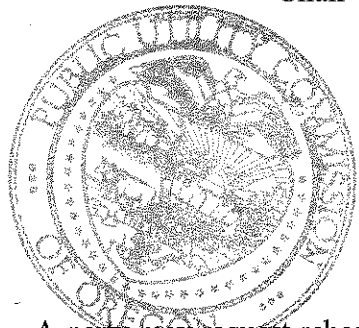
Dated this 18th day of June, 2013, at Salem, Oregon.



Susan K. Ackerman
Chair



John Savage
Commissioner



COMMISSIONER BLOOM WAS
UNAVAILABLE FOR SIGNATURE

Stephen M. Bloom
Commissioner

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

PUBLIC UTILITY COMMISSION OF OREGON

STAFF REPORT

PUBLIC MEETING DATE: June 18, 2013

REGULAR X CONSENT _____ EFFECTIVE DATE June 18, 2013

DATE: June 10, 2013

TO: Public Utility Commission

FROM: John Crider *Jc*

THROUGH: Jason Eisdorfer *E*, Maury Galbraith *MG* and Aster Adams *aa*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by Kristin Haywood, for a waiver of certain rules regarding a solar photovoltaic system installation pursuant to OAR 860-084-0000(3).

STAFF RECOMMENDATION:

Staff recommends that the Commission deny the request by Kristin Haywood, filed pursuant to OAR 860-084-0000(3), to waive Special Condition 7 in Portland General Electric (PGE) Schedule 215 implementing the solar incentive rate pilot program for small systems.

DISCUSSION:

Background

The customer was awarded a capacity reservation with PGE pursuant to Division 084 rules under the Volumetric Incentive Rate Pilot Program (VIR Pilot) during the April 2013 lottery. However, the customer has a pre-existing solar net metering facility pursuant to Division 039 rules at the same premise at which she proposes to install the new VIR Pilot Program system. The common point of coupling between the two systems would be at the main electrical panel for the home and both solar systems would share a common PGE revenue meter.¹

¹ The proposed SPO System would be comprised entirely of new equipment, including the inverter, and satisfies all equipment eligibility requirements as established in ORS 860-084-120(1).

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On April 15, 2013, PGE notified the participant that her proposed system was not eligible for the VIR Pilot. PGE stated:

"The Portland General Electric Account Number: 000662649-41763-3 is already enrolled in Net Metering. Per Oregon Public Utilities Commission, PGE service currently enrolled in Net Metering is not eligible for the Solar Payment Option Pilot Program."

PGE's notification is in reference to Special Condition 7 in PGE's Schedule 215 which states:

"The Customer is not eligible for service under both this schedule and Schedule 203, Net Metering Service for each separately metered account. Each separately metered retail account may only have one QS meter. A Customer is eligible for additional QSs only if the VIR for the additional QS is the same as the first QS."

The Commission approved this tariff language in Order 10-262.²

On May 28, 2013, Element Energy LLC filed a petition pursuant to OAR 860-084-0000(3) to waive any Commission rules that would prohibit her planned installation of the SPO System. The customer did not identify any specific rules in her petition. Staff has construed the request as a request to waive Special Condition 7 in PGE's Schedule 215.

Rationale for Special Condition #7

Allowing both a Division 039 net metering system and Division 084 VIR Pilot program system on the same premises with a single revenue meter presents administrative and billing complexity for the utilities. For example, since both systems would use net-metering, it is possible that in some months the energy produced by each solar system will be greater than the customer's usage for that month. When this occurs, the excess energy generated by each system is sent to the grid, and for accounting purpose the excess amounts are carried over into the next month. In the next month if a customer's energy usage exceeds solar generation, the customer will draw energy from the carried-over energy from the previous month. The banked energy attributed to the VIR Pilot system has an incentive rate associated with it, while energy banked from the Division 039 net metering system does not. The billing complexity arises in deciding which "bank" of excess energy should be used to offset customer usage first.

² Order 10-262 is available at: <http://apps.puc.state.or.us/orders/2010ords/10-262.pdf>

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This implementation issue was discussed by parties in Docket UM 1452 at the time PGE's Schedule 215 was being considered by the Commission. Commission Staff recommended against building this level of billing complexity into the VIR Pilot program. No party opposed PGE's Special Condition 7. PGE's Schedule 215 thus prohibits the customer from participating in both the Division 039 net metering program and the Division 084 VIR Pilot program at a premise served by the same revenue meter.

Staff has been advised by the Oregon Department of Justice that the Commission does not have the authority to waive PGE's Special Condition 7 in Schedule 215. Instead, the Commission does have the authority to open an investigation into its implementation of the VIR Pilot Program to consider whether this provision should be modified. However, because of the level of billing complexity required to allow multiple systems to participate in both the Division 039 net metering program and the Division 084 VIR Pilot program at the same premises, Staff recommends that the Commission deny the customer's request and not open an investigation into the VIR Pilot Program implementation. The level of billing complexity required to make the two programs work together is not appropriate for a pilot. The Commission can reconsider this issue if the VIR Pilot becomes a permanent program. Staff also notes that there is nothing that prevents the customer from having two systems enrolled simultaneously in the Division 039 net metering program.

PROPOSED COMMISSION MOTION:

Kirstin Haywood's request to waive Special Condition 7 in Portland General Electric (PGE) Schedule 215 implementing the solar incentive rate pilot program for small systems be denied.