

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 603

In the Matter of
Rules Regarding Community Solar
Projects.

ORDER

DISPOSITION: NEW RULES ADOPTED

In this order we adopt rules to implement a community solar program in accordance with Section 22 of 2016 Senate Bill 1547.¹ These rules establish a framework for the program that will be supplemented and further developed in future proceedings, including the development and adoption of a program implementation manual.

I. INTRODUCTION

Section 22 of Senate Bill 1547, passed by the 2016 Oregon legislature, requires us to establish by rule a program for the procurement of electricity from community solar projects. The legislation mandates that, as part of the program, we adopt rules prescribing what qualifies a project to participate in the program, certify qualified projects for participation, prescribe the form and manner by which project managers may apply for certification under the program, and require electric companies to enter into a 20-year power purchase agreement with a certified project. The legislation further directs that in adopting rules for project qualification, we should consider ways to incentivize participation, minimize cost shifting, protect participants from undue financial hardship (where an electric company is the project manager), and protect the public interest. The legislation also requires the determination of a methodology by which 10 percent of the total generating capacity of the projects operated under the program will be made available for use by low-income residential customers.

II. BACKGROUND

In August 2016, Staff began holding informal workshops with stakeholders to develop the proposed rules. On April 14, 2017, we filed a Notice of Proposed Rulemaking Hearing and Statement of Need and Fiscal Impact for this rulemaking with the Secretary of State, and we provided notice to all interested persons on the service lists established under OAR 860-001-0030(1)(b) and to legislators specified in ORS 183.335(1)(d). Notice of the rulemaking was published in the May 2017 *Oregon Bulletin*, setting a hearing date of May 22, 2017. The notice

¹ Codified in Oregon Laws 2016, Chapter 28, Section 22.

established a comment due date of May 30, 2017. In the e-mail message delivering the notice, it was suggested that stakeholders file initial comments by May 9, 2017, written comments for the hearing by May 22, 2017, and final comments by May 30, 2017. We note that the proposed rules were distributed on May 1, 2017. On May 26, 2017, a ruling issued extending the comment deadline to June 2, 2017.

On June 13, 2017, and June 20, 2017, we held Special Public Meetings to allow the Commissioners to discuss among ourselves, the Administrative Law Judge, the Commission Staff, the Chief Administrative Law Judge, and Commission Counsel the proposed rules and comments received. We again discussed the proposed rules at our Regular Public Meeting on June 27, 2017. We adopted the rules attached as Appendix A and made the decisions reflected in this order at our June 27, 2017 Regular Public Meeting.

III. COMMENTS

Prior to the hearing, written comments were filed by: the Institute for Local Self-Reliance (ILSR); 350PDX; Climate Jobs PDX; Bonneville Environmental Foundation (BEF); Interstate Renewable Energy Council, Inc., (IREC); the City of Portland; Viridian Management; the Oregon Citizens' Utility Board (CUB); PacifiCorp, dba Pacific Power; Community Energy Project (CEP); Idaho Power Company; Portland General Electric Company (PGE); Renewable Northwest (RNW); Small Business Utility Advocates (SBUA); jointly, the Northwest Sustainable Energy for Economic Development (NW SEED), Environment Oregon, and the Environmental Center; jointly, Sustainable Northwest, Lake County Resources Initiative, Rogue Climate, and Klamath Watershed Partnership; and jointly, the Coalition for Community Solar Access and the Oregon Solar Energy Industries Association (CCSA/OSEIA).

At the hearing, PUC Staff, PGE, PacifiCorp, the Community Action Partnership of Oregon (CAPO), NW SEED, IREC, Northwest Energy Coalition (NVEC), Renewable Northwest (RNW), the Clean Energy Collective (CEC), OSEIA, CUB, and the City of Portland offered comments on the proposed rules.

Post-hearing written comments were filed by the Douglas County Global Warming Commission (DCGWC), PUC Staff, Verde, NewSun Energy, Ampion, PGE, PacifiCorp, IREC, Idaho Power, CUB, CCSA/OSEIA, Community Energy Project (CEP), SBUA, Viridian, RNW, 3Degrees, and jointly Oregon Environmental Council and Climate Solutions, jointly NW SEED, the Environmental Center, Climate Jobs PDX, and the Northwest Energy Coalition. Representatives Paul Holvey and Ken Helm of the Oregon Legislature also filed joint comments.

IV. DISCUSSION

Below, we address several issues that we considered in adopting these rules. In our discussion, we summarize comments from the electric companies and other stakeholders, as well as Staff's position on the issue. We provide our resolution and, as appropriate, offer clarification for interpreting the rules, and signal issues that we intend to consider and adjust in later implementation proceedings. In our resolution addressing low-income participants we adopt a methodology for allocating capacity to these customers, and in our resolution regarding integrated resource planning we adopt requirements related to this planning process.

A. Project Location

Paragraphs 22(3)(b) and (c) of SB 1547 state that a project participating in the community solar program “[m]ust be located in this state; and [m]ay be located anywhere in this state.”

Under the proposed rules, projects must be located within the service territory of an electric company and participants are limited to projects located in their same contiguous service territory. At hearing, Staff explained these limitations are based on practical and policy reasons. These include aligning the program with net metering principles, reflecting the vision of “community,” and ensuring that bill credits accurately reflect the resource value of solar. Staff further cautioned that these limitations ensure this program is not used by larger customers in lieu of direct access, which has built-in protections to ensure costs are not shifted to customers who remain on the utility system. Stakeholders respond that the restriction to a participant's same “contiguous” service territory severely limits project options for some customers, particularly PacifiCorp customers in load pockets. Staff recommends in its final comments removing the “contiguous” requirement but retaining the constraint that a project be located in a participant's same service territory.

The proposed rules also place constraints on co-locating projects.

Resolution: We adopt the limitations that (1) a project must be located within the Oregon service territory of an electric company; and (2) a customer may participate in projects located anywhere within its electric company's service territory.

We adopt these limitations after careful consideration of interactions among the legislative directive regarding community solar project location, our jurisdictional authority over retail rates, and the “dormant” Commerce Clause of the U.S. Constitution. Based on legal advice from the Department of Justice, we conclude that our decision to impose geographic restrictions on the location of both projects and participants represents a reasonable effort to balance these competing legal considerations and accomplish the intent of the legislation, ultimately achieving the best mix of risks and benefits in our approach to project location.

Finally, we add an exception to the prohibition of co-location of projects to avoid inadvertently preventing multiple community solar projects comprised of aggregated rooftop systems from being located within a single municipality or urban area.

B. Customer Participation

Subsection 22(4) of SB 1547 states that a project manager may offer proportional ownership in or subscription to a community solar project: (a) to consumers of electricity located in this state and in the service territory of an electric company; and (b) in any amount that does not exceed a potential owner or subscriber's average annual consumption of electricity.

The proposed rules contain the following provisions regarding participation:

1. "Subscriber" is defined at the site address level.²
2. A customer and its affiliates are limited to participating in one project in this program.
3. A participant cannot own or subscribe to more than 40 percent of a project.

Stakeholders argue that larger customers' participation should not be limited to a single project or capped at a specific amount of megawatts, although they do not oppose a per-project cap.

Staff explains in its final comments that it relied heavily on net metering principles in designing the proposed participation restrictions. In the net metering program, residential customer systems are capped at 25 kilowatts and non-residential customers have a two-megawatt cap. These caps, Staff explains, prevent cost-shifting. Staff cautions that there is high potential for larger customers to shift their load to significant quantities of new solar generation through the community solar program, leaving embedded system costs to customers who cannot, or choose not to, participate. After considering stakeholder comments, however, Staff recommends in its final comments relaxing these restrictions to allow a customer to participate in multiple projects up to a total capacity amount of two megawatts. Staff maintains its position that, at least during this initial phase, this limit should apply to a customer and its affiliates. Staff also remains firm in providing no exceptions for public entities such as municipalities.

Resolution: We adopt in the rules the following participation requirements for owners of, or subscribers to, projects certified during the initial program capacity tier:

1. A participant and its affiliates, as defined in the program implementation manual, may own or subscribe up to a total of four megawatts across multiple projects.
2. A participant may own or subscribe up to a total of two megawatts across multiple projects.

² The proposed rules likely intended to include "owner" as well.

Our intention is to permit a single owner or subscriber, which is defined at the site address level, to be limited to the same two-megawatt cap as in the net metering program (as well, of course, as being limited to average annual usage). The four-megawatt limitation for a participant and its affiliates is intended to allow customers with multiple site addresses an opportunity for higher levels of participation, while preventing any single large business or government entity from securing a significant portion of the initial program capacity tier. With the four-megawatt limit in place, no single customer and its affiliates could represent more than 2.5 percent of the roughly 160 megawatts expected to be available in the initial program capacity tier. Another factor is maintaining a clear distinction between the separate community solar and direct access programs.

In adopting these restrictions for the initial program capacity tier, our goal is to promote diversity of customers and customer classes among participants and maintain the distinction between this and the direct access program. We intend to continue to evaluate this program element as the program develops. In establishing any successive tiers, we will consider the effectiveness of these restrictions in promoting these goals while maintaining a successful program.

We direct Staff and the program administrator to provide a definition of “affiliates” for purposes of this rule in the program implementation manual. Our intent is to balance the goal of allowing a diverse range of customers to participate in this program and the practical considerations of having a sufficiently large pool of potential participants.

C. Project Certification

Paragraph 22(2)(a)(A) of SB 1547 directs us to adopt rules prescribing what qualifies a project to participate in the community solar program and to certify qualified projects.

The proposed rules contemplate a multi-step process where projects are first “pre-certified” and then “certified.” The project manager submits an application to the program administrator, who reviews the application and works with the project manager to resolve any deficiencies. The program administrator then files the complete application with the Commission for approval. Once a project is pre-certified, the project manager has 18 months to meet the final requirements for certification, which include ownership or subscription of at least 50 percent of the nameplate capacity of the project and compliance with any low-income participation requirements.

Stakeholders raise several concerns about this process. First, they contend it has too many steps, each adding cost and delay. Second, they question how long each step will take and suggest setting a timeline in the rules or other guidance. Project managers need this clarity, they explain, to obtain financing, and participants should be given some estimate of when they will start to receive a bill credit. Additionally, they caution that any requirement of project construction and participant acquisition prior to final regulatory approval would pose a significant challenge to developers.

Staff explains in its final comments that the proposed rules for certification are intended as a high-level outline to be augmented by further guidance. Staff urges that several key principles should be considered as we move forward, including economic certainty at the time of pre-certification for developers, transparency of the queue of pre-certified projects, and ensuring that projects are not “parked” in the queue.

Finally, stakeholders question the appropriateness and usefulness of requiring project managers to submit proposed forms and standard contracts during the pre-certification process. They reason that these are private agreements between a project manager and participant and subject to change. At least one electric company comments in favor of this requirement, urging that strong consumer protections are necessary to preserve the program’s community focus.

Resolution: We recognize the concern that the process as outlined in the proposed rules is too cumbersome and undefined. We endeavor in the rules to outline a more streamlined process and to more clearly identify the steps and requirements for pre-certification and certification. Our intent is that pre-certification is the significant step in this process, and that certification is a final confirmation based on objective criteria.

Among other changes, we add to the pre-certification rules a procedure for modifying a project once it has been pre-certified. The new section specifies that only certain project elements require approval to change. We direct Staff and the program administrator to identify these elements in the program implementation manual. Our intent with this new section is to avoid having to make a subjective determination as to a significant change to a project at the certification stage.

We clarify for prospective project managers that, in this process, pre-certification is the critical step where a project will be evaluated and approved. Certification is intended only as a final confirmation that all objective requirements (as identified at the time of pre-certification) have been satisfied.

We acknowledge that much detail remains to be set forth in the program implementation manual. These rules are intended to provide a clear framework for the process but not prematurely enshrine specific requirements or standards without further opportunity for deliberation.

As to requiring project managers to share proposed forms and standard contracts, we acknowledge Staff’s view that, because this is a new program that will be available to many more customers than net metering has been, a higher level of attention to consumer protection is warranted at this early stage of the program. We expect that Staff and the program administrator will make appropriate confidentiality protection available to project managers required to share such forms and contracts.

D. Minimum Level of Subscription

The proposed rules require that 50 percent of the total capacity of a project be subscribed before the project can receive final certification. With respect to the remaining unsold or unsubscribed portion, the proposed rules allow the project to sell up to 10 percent at the “as available” Public Utility Regulatory Policy Act (PURPA) rate.

Staff advocates in its final comments that a minimum subscription of 50 percent achieves a balance between allowing flexibility for developers and ensuring that projects are actually subscribed. Stakeholders counter that limiting the sale of unsold or unsubscribed generation to the “as available” PURPA rate is a sufficient incentive to drive project managers to maximize participation. They further caution that the proposed 10 percent limit adds a significant, unnecessary burden to project financing and development.

Resolution: We adopt the minimum subscription of 50 percent as a reasonable balance of the competing interests and goals underlying this provision. We remove the 10 percent limit on the sale of unsold or unsubscribed generation. Based on the comments that the “as available” PURPA rate is a sufficient incentive to maximize participation in the projects, we find the provision unnecessary.

E. Initial Program Capacity Tier

The proposed rules set an initial program capacity tier for each electric company at 2.5 percent of the electric company’s 2016 system peak (approximately 160 megawatts of available capacity).

Staff explains in its final comments that its objective in determining an appropriate initial limit was to allow the program to start out with a sufficient number of projects to absorb the higher administrative costs in the initial years of the program—and to set a capacity limit that serves as a reasonable checkpoint where the program would be evaluated and adjusted before expanding. The electric companies caution that an initial capacity of this size (as opposed to the one percent discussed in workshops) exposes ratepayers to unnecessary risk and may produce a cost-shift to nonparticipants. Stakeholders support the 2.5 percent limit. They agree that spreading costs among a larger pool of participants will increase the viability of the program. They also highlight that the proposed rules contain other checkpoints and data collection requirements to ensure that program elements are evaluated and adjusted as needed. Finally, they note that SB 1547 imposes no statutory limitation on program size and suggest that this program capacity tier should be interpreted as a point for review and not as a “hard cap” on the program’s ultimate expansion.

Resolution: We adopt in the rules Staff’s proposed 2.5 percent initial program capacity tier for each electric company. Our intention in setting this initial limit is to launch the program at a size

large enough to sustain the initial administrative costs while also ensuring that we have the opportunity to adjust all aspects of the program before proceeding to any further expansion.

The rules provide that we may establish successive tiers. In many places in the rules, we set initial limits to apply to projects certified as part of the initial tier. In the event we establish a successive tier, any adjustments to these initial limits would apply prospectively to projects certified as part of the successive tier. If we adopt multiple successive tiers we may amend the rules to reflect the most current values.

F. On-Bill Crediting

SB 1547 requires that an electric company credit a participant's electric bill for the amount of electricity generated by a project for that participant in a manner that reflects the resource value of solar energy, as determined by the Commission. The statute allows us to adopt a different rate for good cause.

The proposed rules provide that, when a project is pre-certified, the bill credit rate in effect at that time for projects in that electric company's service territory will apply to all owners and subscribers to that project for the duration of the project's bill credit term.

Stakeholders request clarity about the bill credit "term." They also ask that we consider adopting an interim rate to apply pending the outcome of our docket UM 1716 and a final order establishing the resource value of solar. The electric companies oppose any such interim rate. Staff recommends postponing any decision about an interim rate unless and until it becomes apparent that there will be a gap between the resolution of docket UM 1716 and start-up of this program.

Resolution: We clarify in the rules that the bill credit rate in effect when a project is pre-certified will apply for a term no less than the term of any power purchase agreement entered into pursuant to OAR 860-088-0140(1)(a). This is intended as a floor to provide certainty to project managers and participants at this time yet still allow flexibility for different participation approaches. We will determine whether a longer minimum term for the bill credit rate is appropriate prior to program launch, when we adopt the program implementation manual.

As to an interim rate, we agree with Staff that it is premature to adopt an interim rate. As discussed in this order, many steps remain in implementing this program. During the implementation process to follow, we direct Staff to work with the program administrator to monitor the progress of docket UM 1716 and to recommend appropriate action if it becomes apparent that delay in establishing a bill credit rate is delaying program launch.

G. On-Bill Payment

The proposed rules provide that an electric company, in addition to crediting participants on their monthly electricity bill, will first deduct from that monthly credit any ownership or subscription fees owed by the participant to the project manager as well as any program administrative fees. The proposed rules require that the electric company then remit these amounts to the program administrator, who will then distribute them accordingly.

The electric companies object to requiring their involvement in collecting amounts owed by participants. With respect to collecting ownership and subscription fees, the electric companies caution the proposed rules put them in the middle of a contractual agreement between the project manager and participant. They further object that this could lead to a participant mistakenly attributing the additional fees to a rate increase. The electric companies question how disputes will be resolved, particularly regarding non-payment or a customer leaving the electric company's system. The electric companies add that there could be a myriad of financial arrangements between project managers and participants, making customization the norm, and resulting in substantial administrative costs and challenges for the electric company. They request that, if they must collect monies from participants relating to this program, the rules explicitly hold the electric companies harmless and indemnified for liabilities related to projects operated by third-party project managers.

Stakeholders respond that requiring electric companies to provide on-bill payment services to third-party project managers is a necessary means to provide equal opportunity to third-party project managers, since electric company project managers have the incumbent advantage of an established billing avenue with customer-participants. Stakeholders suggest that, to allow optimal flexibility in structuring agreements with participants, project managers should be able to elect whether to use the electric company's service or bill participants directly or use some alternative arrangement.

Resolution: We require in the rules that each electric company work with the program administrator to develop and obtain our approval of an on-bill payment model that allows for multiple ownership and subscription configurations to assess and remit fees owed by participants. Our intention is to balance the administrative burden to the electric companies with the project managers' need for flexibility in structuring arrangements with participants. The requirement that the offered model allows for "multiple" configurations is not intended to mean a large number, but rather to convey that the model must be flexible and accommodate varying configurations. We require project managers to use the electric company's offered model for collection of ownership or subscription fees owed to the project manager. Recognizing, however, that a particular configuration may still not be compatible with the offered model, we allow for limited exceptions in the event the project manager, program administrator, and electric company agree to a modification to the offered model. The rules also allow the program

manager to seek approval of an alternative method, for example, in the case of up-front payment in full by an owner or subscriber, but we caution that the Commission prefers to limit such exceptions and that any such request will be closely scrutinized.

To the electric companies' concern about being placed in between a project manager and participant and the request for indemnification, we identify this as an issue for further consideration as this program continues to develop and will consider revising this rule if significant problems arise. We have adopted a specific rule to govern dispute resolution (OAR 860-088-0110) that makes clear the project manager, the program administrator, and the Commission's Consumer Services Section (in that order) are intended to process and resolve any participant complaints, not the electric company

H. Interconnection Process

The proposed rules provide that electric companies must interconnect with a final certified project within their service territory that satisfies the requirements for interconnection in Chapter 860, Division 82 of our rules.

Resolution: This requirement is already set forth in our interconnection rules and need not be repeated here. We recognize, however, that the success of a prospective project depends on completing the interconnection process and that this step could cause costly delay for project managers. We ask Staff and stakeholders to consider during development of the program implementation manual the potential role of the program administrator ensuring nondiscriminatory access and evaluating whether the interconnection process is fair and functional for projects seeking to enter the community solar program.

I. Participation of Low-Income Residential Customers

SB 1547 requires that, as part of the program, we determine a methodology by which 10 percent of the total generating capacity of the community solar projects operated under the program will be made available for use by low-income residential customers of electricity, and that we periodically review and adjust this percentage.

To implement this provision, the proposed rules require that each project provide five percent of its capacity to low-income residential customers, and that five percent of the total program must be designated for low-income residential customers. The proposed rules define "low-income" as an annual income of no more than 200 percent of the federal poverty level. The proposed rules contemplate there will be a low-income facilitator to manage this aspect of the program.

Stakeholders question how these requirements will be counted and whether low-income residential customers can participate without financial subsidies. Staff recommends in its final

comments considering alternative approaches, including imposing a program-wide fee to be allocated for facilitating participation of low-income residential customers.

Resolution: To allow flexibility to continue to evaluate how to implement this important component of the program, we adopt the requirement that at least 10 percent of the total generating capacity of the program be allocated exclusively for use by low-income residential customers. Likewise, we modify the definition of “low-income residential customer” to indicate that we will later establish an eligibility threshold for these customers. We require, under any implementation system, that the bill credits associated with the 10 percent allocation be linked in some direct manner to the electricity usage of individual low-income residential customers.

To attain this 10 percent requirement, we adopt by order the requirement in the proposed rules that at least five percent of each project must be allocated for use by low-income residential customers, and at least an additional five percent of the total program must be allocated to serve low-income residential customers. We recognize, however, that determining how to implement this important component of the program is challenging and will likely require further deliberation and input from the entities selected as program administrator and low-income facilitator. We encourage innovation and creative solutions to facilitating this participation and are willing to consider alternative methodologies during the development of the program implementation manual. When we adopt the program implementation manual, we intend to either reaffirm the five percent project plus five percent program requirement or to adopt another approach that is more likely to result in achieving the full 10 percent allocation by the end of the initial program capacity tiers.

Recognizing that financial incentives may prove appropriate or necessary to achieve the goal of participation of low-income residential customers, we add a new section providing that we may find cause to establish a funding mechanism to support the participation of low-income residential customers.

With respect to selecting the low-income facilitator, we allow in the rules that a qualified program administrator may fulfill these duties or subcontract for the position. Although it seems unlikely that an entity selected as program administrator would also have the specific knowledge and capabilities needed to manage the low-income aspects of the program, our intent is to allow flexibility in filling this position.

J. Treatment of Renewable Energy Credits

SB 1547 provides that owners and subscribers own all renewable energy certificates established under ORS 469A.130 that are associated with the generation of a project, in proportion to their ownership or subscription to the project.

The proposed rules allow project managers to elect whether to create and retire renewable energy certificates. Some stakeholders comment that all projects should be required to create and retire renewable energy certificates. Others argue that participants should be able to sell renewable energy certificates. Staff agrees in its final comments that it may be too cumbersome for some projects to register to create and retire renewable energy credits. Staff remains firm, however, that if renewable energy credits are created, they should remain with participants or be retired on behalf of participants and not be eligible for sale to a third-party.

Resolution: We require registration of projects with the Western Renewable Energy Generation Information System (WREGIS). We recognize, however, the need to balance accountability for claims to attributes and administrative ease for small projects so we will allow the project manager of a small project (360 kilowatts or less) to apply for waiver of the WREGIS registration requirement during pre-certification.

K. Program Evaluation and Public Input

The proposed rules provide for an advisory group to assist Staff's evaluation of the program. The group would meet at least every six months with Staff. Although this type of group is not contemplated in the statute, this concept was developed in the Staff-led process and had much support.

The proposed rules also require Staff to evaluate the program at least annually and, as part of this evaluation, consider certain program elements.

Resolution: We do not adopt the concept of a formal advisory group. We instead expressly incorporate into the rules outlining Staff's evaluation process the requirement to consider public comment.

We recognize that stakeholders and the electric companies have already contributed much to the development of these rules and we intend to continue to utilize this input as we implement this program. Nonetheless, we are concerned that creating a formal advisory group has the potential to unnecessarily complicate the public process and could potentially hinder future program development (for example, if it proved challenging to retain the various members required by the proposed rules).

In the rules, we direct Staff to periodically conduct a public workshop and to periodically present a report based on input from these workshops and other relevant information. During this initial phase, we instruct Staff to convene a workshop at least every six months from the date of this order through the date of adoption of the program implementation manual. We direct Staff to provide an initial evaluation and report within one year from the program launch, and we will set expectations for further report frequency at that time.

L. Requirements in Integrated Resource Planning

The proposed rules include provisions requiring electric companies to incorporate certain considerations associated with this program into their integrated resource planning.

The electric companies object to imposing this requirement in these rules, reasoning that any planned inclusion of community solar projects in the integrated resource planning process should be undertaken in a separate docket focused on that issue—to allow for involvement of stakeholders who are not participating in this docket. They also suggest that their existing integrated resource planning processes already satisfy the requirements in the proposed rules.

Resolution: We are concerned that if we defer consideration of the interaction of this program with integrated resource planning, the necessary adjustments could be delayed to the detriment of the planning process. Nonetheless, we recognize the valid question of whether we should adopt in community solar rules specific requirements relating to the complicated integrated resource planning process. As a result, we adopt in this order the following integrated resource planning components with the intention of revisiting these and adjusting them as necessary in our next integrated resource planning docket.

1. When calculating generation assets in its integrated resource planning, an electric company must include in its supply mix all energized community solar projects participating in the Community Solar Program.
2. When assessing load-resource balances in its integrated resource planning, an electric company must include forecasts of market potential for community solar projects and analyses comparing historical forecasts and actual community solar project development.

M. Interaction with Federal Securities Regulation

The electric companies comment that a participant's ownership or subscription share in a project could be viewed as an investment contract subject to securities regulation if the program is not deliberately implemented to avoid any such characterization. They suggest, at a minimum, requiring marketing materials to include approved disclaimer language to clarify that participation should not be premised on an expectation of profit.

Resolution: We include the new requirement in the rules that project marketing materials address securities concerns.

V. ENSUING PHASES

As noted above, the effort to create a community solar program is a significant undertaking. This rulemaking is an important, but certainly not the only, action or means to accomplish that

goal. The implementation of this program will require various Commission actions through both rulemaking and other proceedings decided by order.

The next significant step is the issuance of a request for proposals to fill the program administrator position. We understand from Staff that this could take as long as 120 days for completion. Following, or in conjunction with this process, an entity needs to be selected to perform the duties of the low-income facilitator.

During this same time period, Staff will begin to work with electric companies on matters such as tariffs and system upgrades associated with this program. Staff will also begin internally reviewing and designing processes for internal implementation of the program.

We direct Staff to keep us apprised of developments and progress including providing a status report at a Public Meeting in two months from the date of this order.

VI. ORDER

IT IS ORDERED that:

1. The following integrated resource planning components are adopted:
 - a. When calculating generation assets in its integrated resource planning, an electric company must include in its supply mix all energized community solar projects participating in the Community Solar Program set forth in OAR 860-088-0005 through 860-088-0190.
 - b. When assessing load-resource balances in its integrated resource planning, an electric company must include forecasts of market potential for community solar projects and analyses comparing historical forecasts and actual community solar project development relating to the Community Solar Program set forth in OAR 860-088-0005 through 860-088-0190.
2. For purposes of OAR 860-088-0080(2), at least five percent of each project must be allocated for use by low-income residential customers, and at least an additional five percent of the total program must be allocated to serve low-income residential customers, for a total program-wide allocation of at least 10 percent.
3. OAR 860-088-0005 through 860-088-0190 are adopted as set forth in Appendix A to this order.

4. The new rules become effective upon filing with the Secretary of State.

Made, entered, and effective JUN 29 2017.

Lisa D. Hardie
Chair



Stephen M. Bloom
Commissioner

Megan W. Decker
Commissioner

A person may petition the Public Utility Commission of Oregon for the amendment or repeal of a rule under ORS 183.390. A person may petition the Oregon Court of Appeals to determine the validity of a rule under ORS 183.400.

Community Solar Program Rules
Chapter 860, Division 088

860-088-0005**Scope and Applicability of Community Solar Program Rules**

(1) OAR 860-088-0005 through 860-088-0190 establish rules governing implementation of a community solar program under Oregon Laws 2016, chapter 28, section 22.

(2) Upon request or its own motion, the Commission may waive any of the Division 088 rules for good cause shown. A request for waiver must be made in writing, unless otherwise allowed by the Commission.

Stat. Auth.: ORS 756.040, 756.060

Stats. Implemented: ORS 756.040

Hist.: NEW

860-088-0010**Definitions**

For purposes of this Division:

(1) “Community Solar Program” is the program for the procurement of electricity by electric companies from community solar projects.

(2) “Low-Income Facilitator” is the entity responsible for the duties set forth in OAR 860-088-0030.

(3) “Electric company” has the meaning given that term in ORS 757.600.

(4) “Low-income residential customer” means a retail residential customer of an electric company whose annual income is at or below the threshold set by Commission order for the Community Solar Program.

(5) “Nameplate capacity” means the maximum rated output of a solar photovoltaic energy system, measured by the rated output of system inverter(s) at 50 degrees Celsius and adjusted for any transformer step-up losses.

(6) “Owner” means a retail customer of an electric company who has an ownership interest in a project, such as direct ownership of one or more solar panels or shared ownership of the infrastructure of the project. Owner is defined at the site address level.

(7) “Participant” means either a subscriber or owner.

(8) “Program Administrator” means a third-party directed by the Commission to administer the Community Solar Program.

(9) “Program Implementation Manual” means the set of guidelines and requirements for implementing the Community Solar Program adopted by the Commission.

(10) “Project” means a community solar project as defined in Oregon Laws 2016, chapter 28, section 22(1)(a).

(11) “Project Manager” has the meaning given that term in Oregon Laws 2016, chapter 28, section 22(1)(d).

(12) “Retail customer” means a customer who is a direct customer of the electric company and is the end user of electricity for specific purposes, such as heating, lighting, or operating equipment.

(13) “Service territory” means the geographic area within which an electric company provides electricity to retail customers.

(14) “Solar photovoltaic energy system” has the meaning given that term in Oregon Laws 2016, chapter 28, section 22(1)(e).

(15) “Subscriber” means a retail customer of an electric company who enters into a contractual agreement of 10 or more years for part of a project that results in bill credits being applied to that customer’s electricity bill. Subscriber is defined at the site address level.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0020

Program Administrator

(1) The Commission will use a competitive bidding process to select a Program Administrator to administer the Community Solar Program.

(2) The duties of the Program Administrator include:

- (a) Developing jointly with Commission Staff a Program Implementation Manual;
- (b) Developing a budget and reporting actual expenditures and carryover to the Commission;
- (c) Managing the performance of the Low-Income Facilitator and coordinating with the Low-Income Facilitator to meet any low-income capacity requirements;
- (d) Registering Project Managers;
- (e) Reviewing applications for project pre-certification and certification;
- (f) Confirming participant eligibility in the Community Solar Program;
- (g) Facilitating the exchange of customer electricity account information between electric companies and Project Managers;
- (h) Establishing and maintaining a publicly-available queue of pre-certified projects in a manner that protects commercially sensitive or competitive information;
- (i) Coordinating participants’ monthly bill crediting and conveying bill credit information to electric companies and Project Managers;
- (j) Providing to electric companies participant ownership or subscription payment information obtained from Project Managers;
- (k) Receiving from electric companies monies collected from participants, allocating monies, and maintaining monthly reports of receipts and allocations to submit to the Commission upon request;

(l) Monitoring Project Managers' compliance with the standard of conduct set forth in the Program Implementation Manual and notifying the Commission of any compliance deficiency;

(m) Facilitating data exchange among electric companies, Project Managers, and the Commission;

(n) Managing data related to the Community Solar Program as set forth in the Program Implementation Manual, including implementing best practices for data security and privacy; and

(o) Performing other duties assigned by the Commission or set forth in the Program Implementation Manual.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0030

Low-Income Facilitator

(1) The Commission will use a competitive bidding process to select a Low-Income Facilitator. The Commission may allow the Program Administrator to fulfill the duties of this position or subcontract for this position.

(2) The Low-Income Facilitator reports to the Program Administrator. The duties of the Low-Income Facilitator include:

(a) Serving as a liaison among low-income residential customers and affiliated organizations and Project Managers to help meet any low-income capacity requirements;

(b) Developing guidelines, protocols, and materials for engaging low-income residential customers and affiliated organizations;

(c) Upon request, providing information to assist the Commission's policy development related to low-income capacity requirements;

(d) Implementing best practices for data security and privacy; and

(e) Other duties assigned by the Program Administrator, the Commission, or set forth in the Program Implementation Manual.

Stat. Auth.: Section 22, Chapter 28, Oregon Laws 2016

Stats. Implemented: Section 22, Chapter 28, Oregon Laws 2016

Hist.: NEW

860-088-0040

Project Pre-Certification

(1) The Project Manager must submit an application for project pre-certification to the Program Administrator.

(2) An application for pre-certification must include:

(a) Documentation of Project Manager registration;

(b) A detailed description of the project including location, nameplate capacity, performance characteristics, and plan for project end of useful life;

(c) Permitting requirements and status of compliance;

(d) All documentation relevant to the interconnection process as provided in OAR chapter 860, division 82;

(e) Participant acquisition approach;

(f) Proposed marketing materials;

(g) Proposed forms and standard contracts for ownership interests and subscriptions;

(h) Plan for meeting applicable low-income capacity requirements;

(i) Payment of any applicable application fees; and

(j) Other information or documentation as set forth in the Program Implementation Manual.

(3) The Program Administrator reviews applications for pre-certification in the order received to determine compliance with applicable requirements and presents applications to the Commission for pre-certification. The Program Administrator must notify the Project Manager of any deficiencies and allow reasonable time for remedy.

(4) Once the Commission pre-certifies a project, the Project Manager may execute contracts with participants for ownership or subscription interests.

(5) A project remains pre-certified for a period of 18 months, unless granted an extension by Commission order. If not certified within this period, the project forfeits its place in the queue of pre-certified projects. The Project Manager must submit a new application for pre-certification to be considered for participation in the Community Solar Program.

(6) The Project Manager must seek Commission approval of any modification to a pre-certified project relating to project elements set forth in the Program Implementation Manual. An amendment will not extend the 18-month period. The Program Implementation Manual will prescribe the form and manner of amendment submission and approval.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0050

Project Certification

(1) The Project Manager of a pre-certified project must submit an application for project certification to the Program Administrator.

(2) The Commission will certify a project that demonstrates:

(a) Ownership of, or subscription to, at least 50 percent of the project nameplate capacity;

(b) Ownership or subscription by at least five different participants;

(c) Compliance with applicable low-income capacity requirements;

(d) Commission approval of modification to pre-certified project as required in OAR 860-088-0040(6), if applicable; and

(e) Satisfaction of any other condition identified by the Commission at the time of pre-certification.

(3) The Program Administrator reviews applications for certification in the order received for compliance with applicable requirements and presents applications to the Commission for certification. The Program Administrator must notify the Project Manager of any deficiencies and allow reasonable time for remedy.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0060

Program Capacity Restrictions

(1) "Program capacity tier" means the amount of total program capacity eligible for projects participating in an electric company's service territory.

(2) The initial program capacity tier for each electric company is equal to 2.5 percent of the electric company's 2016 system peak.

(3) The Commission may establish successive program capacity tiers.

(a) In determining whether to set a successive tier, the Commission may consider all aspects of the Community Solar Program.

(b) A successive program capacity tier may not be established until any low-income capacity requirements are successfully energized and the corresponding projects are serving qualifying participants.

(4) Once a project is pre-certified, the nameplate capacity of the project is counted towards the program capacity tier of the electric company in whose service territory the project is located. The nameplate capacity of the project will be removed from the electric company's program capacity tier in the event that the Project Manager notifies the Program Administrator that the project will be removed from the Community Solar Program or the project is otherwise not certified within the time period allowed in OAR 860-088-0040(5).

(5) A project may not be pre-certified if the addition of the project will exceed the electric company's current program capacity tier. The Program Administrator will create a queue of applications for pre-certification received after the program capacity tier has been met. If a successive program capacity tier is established, applications in the queue will be processed in the order received.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0070**Project Siting and Requirements**

(1) To participate in the Community Solar Program, a project must:

- (a) Be located within the Oregon service territory of an electric company; and
- (b) Have a nameplate capacity of three megawatts or less.

(2) “Co-location” means two or more projects that exhibit characteristics of a single development, such as common ownership structure, an umbrella sale arrangement, revenue-sharing arrangements, or common debt or equity financing. Projects are not considered co-located solely because the same person provides tax equity financing for the projects.

Co-location of projects is not permitted within a five-mile radius unless:

- (a) The aggregate nameplate capacity of the co-located projects is three megawatts or less; or
- (b) The co-located projects are all sited within a single municipality or urban area as defined in the Program Implementation Manual.

(3) Multiple solar photovoltaic energy systems that are aggregated into one project must all be located within a single electric company’s service territory.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0080**Customer and Low-Income Capacity Requirements**

(1) At least 50 percent of the nameplate capacity of each project must be allocated exclusively for ownership or subscription by residential and small commercial customers. This is inclusive of the low-income capacity requirement in section (2) of this rule.

(2) At least 10 percent of the total generating capacity of the Community Solar Program must be allocated exclusively for use by low-income residential customers. The respective bill credits associated with this allocation must be linked to discrete low-income residential customers.

(3) A Project Manager must submit a plan with the application for project pre-certification describing how the project will satisfy applicable low-income capacity requirements and outline how the Project Manager will work with the Low-Income Facilitator on outreach efforts.

(4) The Commission may establish by order a funding mechanism to facilitate participation of low-income residential customers.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0090

Participant Eligibility and Limitations

(1) Subject to the conditions in this rule, a retail electricity customer of an electric company may acquire an ownership interest in, or subscribe to, one or more projects that are located in the service territory of the electric company serving the retail electricity customer.

(2) A participant's ownership interest in, or subscription to, a project may not exceed the retail electricity customer's average annual consumption of electricity in the service territory in which the project is located.

(3) A single participant's ownership interest in, or subscription to, a project may not exceed a 40 percent interest in the project.

(4) With respect to projects certified during the initial program capacity tiers:

(a) A participant, and its affiliates as defined in the Program Implementation Manual, may own or subscribe up to a total of four megawatts across multiple projects; and

(b) A participant may own or subscribe up to a total of two megawatts across multiple projects.

(5) For any successive program capacity tier established by the Commission, participation limitations will be set forth in the order adopting the successive tier.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0100

Consumer Protection Provisions

(1) All contracts between Project Managers and participants must contain provisions to protect customers, including terms and conditions regarding:

(a) Contract portability and transferability;

(b) Transparency of costs, risks, and benefits;

(c) Cancellation penalties;

(d) Explanation of one-time and on-going fees;

(e) Early termination;

(f) Explanation of concept of renewable energy credits;

(g) Data privacy and security;

(h) Responsibilities of the Program Administrator, electric company, and Commission;

(i) Notifications regarding project status and performance; and

(j) Other requirements set forth in the Program Implementation Manual.

(2) Prior to executing a contract with a participant, the Project Manager must provide the participant a Commission-approved checklist that discloses the charges, terms and conditions of service, the process for dispute resolution, and other items set forth in the Program Implementation Manual.

(3) Marketing materials must contain a Commission-approved disclaimer explaining that participation in the Community Solar Program is for the purpose of offsetting participants' energy usage with electricity generated by certified projects.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0110

Dispute Resolution

(1) Any complaints related to the Community Solar Program received by an electric company, the Low-Income Facilitator, the Program Administrator, or the Commission are to be referred initially to the applicable Project Manager for resolution.

(2) The Project Manager must investigate each complaint and provide a written response to the complainant.

(3) If the Project Manager is unable to resolve the complaint, the complainant may request that the complaint be escalated to the Program Administrator. If the Program Administrator is unable to resolve the complaint, the Program Administrator must notify the complainant of the right to contact the Commission's Consumer Services Section to request assistance in resolving the dispute or to obtain information about filing a formal complaint under ORS 756.500.

(4) The Project Manager must compile and submit to the Program Administrator an annual report of complaints received over the past 12-month period. This report must include a description of each complaint, the parties to the complaint, and the resolution of the complaint.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0120

Obligations of Electric Companies

(1) Upon request from the Program Administrator, an electric company must provide customer electricity account information to the Program Administrator for the purpose of appropriately sizing an ownership interest or subscription in a project. Customer information may not be disclosed to the Program Administrator without consent from the customer.

(2) An electric company must credit participants of a certified project with bill credits as provided in OAR 860-088-0170. The application of the credit may appear on the participants' account in a subsequent billing period due to the time required to calculate the credit and transfer information between entities. The electric company will apply the credit to the participant's account within 30 days of receiving the bill credit information from the Program Administrator.

(3) Each electric company, in conjunction with the Program Administrator, must develop and obtain Commission approval of an on-bill payment model that allows for multiple ownership and subscription configurations to assess and remit on a participant's electricity bill:

(a) Ownership or subscription fees owed by the participant to the Project Manager. An electric company may only remit fees to a Project Manager once a project has been certified;

(b) Fees owed by the participant to fund the Program Administrator and Low-Income Facilitator; and

(c) Additional fees collectible from participants imposed by Commission order.

(4) An electric company must obtain Commission approval of any applicable tariffs required by these rules, including the rate recovery of any expenditure for project development and administration if the electric company is acting as Project Manager.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0130

Obligations of Project Managers

(1) The Project Manager must register with the Program Administrator.

(2) The Project Manager must comply with the standard of conduct established by Commission order. Upon notice of a potential compliance deficiency, the Project Manager will be afforded the opportunity to meet with Commission Staff and the Program Administrator to work toward a resolution. If the compliance deficiency is not resolved, the Commission may direct the Program Administrator to withhold payments to the Project Manager and take other action as permitted by rule, statute, or contract.

(3) For the collection of ownership or subscription fees owed to the Project Manager, the Project Manager must use the Commission-approved on-bill payment method described in OAR 860-088-0120(3).

(a) The Project Manager may use a modified on-bill payment method if agreed to by the Program Administrator and the electric company.

(b) The Project Manager may request approval of an alternative fee collection method for ownership or subscription configurations incompatible with the available on-bill payment methods.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0140**Sale and Purchase of Unsold and Unsubscribed Generation**

(1) Upon project certification, the project's remaining unsold and unsubscribed generation is eligible for sale subject to the following requirements:

(a) Upon request, an electric company must enter into a 20-year power purchase agreement with a pre-certified project to purchase the project's unsold and unsubscribed generation on an "as available" basis subject to the requirements of the Public Utility Regulatory Policy Act (PURPA) and ORS 758.505, *et. seq.*;

(b) If the electric company is the Project Manager, the electric company may seek Commission approval to recover from all ratepayers the "as available" rate for the project's unsold and unsubscribed generation; and

(c) Renewable energy certificates associated with generation sold under section (1)(a) of this rule at the "as available" rate will not transfer to the electric company unless otherwise agreed by the Project Manager and electric company.

(2) The value of any project generation that is not sold to or subscribed by participants, sold to an electric company under a power purchase agreement, or sold on another basis must be donated to the electric company whose service territory encompasses the project at the "as available" rate and used by the electric company to assist low-income residential customers' participation in the Community Solar Program.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0150**Renewable Portfolio Standards and Renewable Energy Certificates**

(1) Megawatt hours of electricity associated with participant ownership interests or subscriptions will be deducted from the amount of electricity sold by the electric company to retail electricity consumers for purposes of calculating the electric company's renewable portfolio standard under ORS 469A.052.

(2) All claims to environmental, economic, and social benefits associated with megawatt hours of electricity associated with participant ownership interests or subscriptions, including any renewable energy certificates, must remain with the participants.

(3) Registration with the Western Renewable Energy Generation Information System (WREGIS) is required. For any project that is 360 kilowatts in aggregate size or less, the Project Manager may request with its application for project pre-certification a waiver from the requirement to register with WREGIS.

(4) If a project is registered with WREGIS, the Project Manager must:

(a) Maintain sub-accounts associated with the renewable energy certificates owned by participants and retire those renewable energy certificates annually on behalf of participants;

(b) Report annually to the Commission the retirement of renewable energy certificates on behalf of participants; and

(c) Report annually to the Commission the sale of any renewable energy certificates generated by the project sold as of a result of a contract for the unsold or unsubscribed portion of project generation. The report must include adequate information for the Commission to verify that any renewable energy certificates owned by participants were not sold.

(5) If a project is granted a waiver from the requirement to register with WREGIS, the Project Manger must:

(a) Disclose in the contracting documents with participants that the project will not create and retire renewable energy certificates on their behalf; and

(b) Provide an attestation at the time of project pre-certification that all renewable energy attributes associated with megawatt hours of electricity associated with participant ownership interests or subscriptions are being claimed solely by project participants.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0160

Community Solar Program Funding

(1) Start-up costs incurred during the development or modification of the Community Solar Program are recoverable in electric company rates. These costs, which must be reviewed and approved by Commission order, include:

(a) Costs associated with the Program Administrator and Low-Income Facilitator; and

(b) Each electric company's prudently-incurred start-up costs associated with implementing the Community Solar Program. These costs include, but are not limited to, costs associated with customer account information transfer and on-bill crediting and payment, but exclude any costs associated with the electric company developing a project.

(2) On-going costs of the Community Solar Program, including costs associated with the Program Administrator and the Low-Income Facilitator, are collected from participants.

(a) Each project is responsible for its appropriate share of on-going costs, as allocated in the Program Implementation Manual or otherwise determined by Commission order.

(b) If the Program Administrator or Low-Income Facilitator receives funds in excess of actual costs, the excess funds may be accrued and applied to offset future costs.

(c) If the Program Administrator or Low-Income Facilitator receives inadequate funds to continue performing its duties, the Commission may suspend further pre-certification of projects until the funding shortfall is resolved.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0170**Bill Crediting**

(1) For purposes of this rule:

(a) “Bill credit rate” is an amount used to calculate a participant’s monthly bill credit. Unless otherwise determined by Commission order, the bill credit rate for a project will be based on the resource value of solar applicable to that project at the time of pre-certification and will apply for a term no less than the term of any power purchase agreement entered into pursuant to OAR 860-088-0140(1)(a).

(b) “Carry-over generation” means the kilowatt-hours of a participant’s proportional share of project generation in a monthly billing period that exceeds the participant’s energy usage during that monthly billing period.

(c) “Differential credit” means the difference between the retail rate multiplied by the participant’s eligible generation, and the bill credit rate multiplied by the payable generation. (Retail rate x participant’s eligible generation) - (bill credit rate x participant’s eligible generation).

(d) “Eligible generation” means the kilowatt-hours of project generation for which a participant may receive a monthly bill credit. In a monthly billing period, this eligible generation is the portion of the participant’s proportional share of project generation that is equal to or less than the participant’s energy usage during the period in which the generation occurred.

(e) “Energy usage” means a participant’s volumetric energy consumption as reflected on the participant’s electricity bill.

(f) “Excess generation” means the portion of a participant’s proportional share of project generation that exceeds the participant’s energy usage in a monthly billing period.

(2) A participant’s monthly bill credit is calculated by:

(a) Multiplying the participant’s eligible generation for the monthly billing period by the bill credit rate; and

(b) Adjusting this amount to account for:

(A) Eligible carry-over generation, which is the portion of the participant’s accrued carry-over generation that when added to participant’s eligible generation does not exceed the participant’s energy usage for the monthly billing period; and

(B) Accrued differential credit, which is value that accrues to the participant when the bill credit rate exceeds the volumetric retail rate.

(3) The monthly bill credit provided to a participant may not exceed the participant’s total volumetric charges for the monthly billing period. The portion of a participant’s differential credit that exceeds the participant’s total monthly volumetric charges may be accrued and used to adjust the participant’s monthly bill credit in future billing periods.

(4) A participant’s excess generation at the end of the annual billing cycle must be donated to the low-income programs of the electric company serving the participant. Unless the electric company and the Project Manager agree otherwise, the annual billing cycle begins on the first day of the April billing month and ends at the close of the March billing month. If the electric

company and the Project Manager agree to an alternative billing cycle, the electric company must inform the Program Administrator in writing of the alternative billing cycle within 30 calendar days of the participant's execution of a contract with the Project Manager.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0180

Community Solar Program Evaluation

(1) Commission Staff will periodically conduct a public workshop with the Program Administrator and Low-Income Facilitator to solicit comment from interested persons on the status of the Community Solar Program.

(2) Commission Staff will periodically present a report to the Commission based on input from these public workshops and other relevant information, that:

(a) Describes the status of implementation of the Community Solar Program;

(b) Evaluates use of additional mechanisms to incent participation and project development;

and

(c) Considers, at a minimum, adjustments or modifications to:

(A) Program capacity restrictions,

(B) Project siting and size requirements,

(C) Low-income capacity requirements,

(D) Participation restrictions,

(E) Data reporting and management practices,

(F) Consumer protection provisions, and

(G) The responsibilities of the Program Administrator and Low-Income Facilitator.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW

860-088-0190

Program Implementation Manual

(1) A Program Implementation Manual will be developed jointly by the Program Administrator and Commission Staff through a public process and adopted by Commission order.

(2) The Program Implementation Manual will describe and inform the roles of the Program Administrator, the Low-Income Facilitator, and Commission Staff in implementing the Community Solar Program.

(3) The Commission may, upon request or on its own motion and after notice and opportunity for public comment, amend the Program Implementation Manual upon a finding of good cause.

Stat. Auth.: Oregon Laws 2016, chapter 28, section 22

Stats. Implemented: Oregon Laws 2016, chapter 28, section 22

Hist.: NEW