

ORDER NO. 24-438

ENTERED Dec 10 2024

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1930

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON,

Request by Verde Light Solar Project for
Waiver of OAR 860-088-0080 in the
Community Solar Program.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on December 10, 2024, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



Alison Lackey

Chief Administrative Law Judge



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 Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA11

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 10, 2024**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** December 11, 2024

DATE: December 2, 2024

TO: Public Utility Commission

FROM: Joseph Abraham

THROUGH: Caroline Moore, JP Batmale, and Sarah Hall **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 1930)
Request by Verde Light Solar project for waiver of OAR 860-088-0080 in
the Community Solar Program.

STAFF RECOMMENDATION:

Grant a waiver of OAR 860-088-0080(1) to modify the large commercial subscription limit for the Verde Light Solar project in the Community Solar Program from 50 percent to 80 percent.

DISCUSSION:

Issue

Whether the Public Utility Commission of Oregon (Commission) should grant a waiver of OAR 860-088-0080(1) to modify the large commercial subscription limit for the Verde Light Solar project in the Community Solar Program from 50 percent to 80 percent.

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 community solar energy systems.

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

Docket No. UM 1930
December 2, 2024
Page 2

OAR 860-088-0005(2) permits the Commission to waive any of the Division 088 rules for good cause shown.

In accordance with OAR 860-088-0190, on December 17, 2019, in Order No. 19-438, the Commission adopted the Community Solar Program Implementation Manual (PIM) and the program policies and procedures therein. Specifically, PIM Section 3.9 limits the cumulative owning or leasing of Tier 1 projects by large commercial participants to no more than 50 percent of the project's capacity.

OAR 860-088-0080(1) requires at least 50 percent of the nameplate capacity of each project to be allocated exclusively for ownership or subscription by residential and small commercial customers.

On June 12, 2024, In Order No. 21-184, the Commission certified the Verde Light Community Solar project in CSP.

Analysis

Background

Verde Light Community Solar is a 2,950 kW-AC project located in Ontario, Oregon in Malheur County. It is the only CSP project currently located in Idaho Power Company (IPC) territory. Verde Light became operational on June 13, 2024, one day after its Certification in CSP.

In August of 2024 Verde Light's Project Manager (PM), Fleet Development, submitted a request to the CSP Program Administrator (PA) to increase the limit on the project's large commercial participants from 50 percent to 85 percent of project capacity. The PA reviewed the PM's request and provided Staff with its recommendation to allow Verde light to subscribe up to 90 percent of project capacity to large commercial participants. See the PM's request and the PA's recommendation in Attachment A. In its request, Fleet Development argues that increasing the limit is necessary to fully subscribe the project and attain financial viability. The PM further argues that its request is due to disproportionate challenges it has experienced in identifying eligible small commercial IPC customers, which it states is an unintended consequence of the way IPC defines commercial customers.

Verde Light is 50 percent subscribed by large commercial participants. While OAR 860-088-0080(1) requires that 50 percent of the nameplate capacity of each project to be allocated exclusively for ownership or subscription by residential and small commercial customers, the Commission may waive any provisions of Division 88 for good cause shown.

Docket No. UM 1930
 December 2, 2024
 Page 3

Impact of Utility Commercial Customer Definitions on CSP Participant Classification

In its request, Fleet Development argues that IPC's definition for large commercial customers differs significantly from those used by Portland General Electric (PGE) and Pacific Power (PAC). IPC's definition is based on a customer's use of electricity, or kWh, whereas PGE and PAC definitions are based on a customer's demand for electricity, or kW. Fleet Development states that IPC's definition results in IPC defining many of its commercial customers as large, when PGE and PAC would instead define them as small commercial customers. Fleet Development argues that consequently there are few interested small commercial customers to potentially subscribe to Verde Light because those customers are either defined as large commercial customers or are not interested in participating in the Community Solar Program.

To assess this claim, Staff conducted a comparative analysis of utility customer definitions. Currently, customers in 20 utility rate schedules across the three utilities are eligible to participate in the Program.¹ For the purposes of this memo, Staff considers IPC's, PGE's, and PAC's large commercial schedules:

- IPC Large General Service: Commercial customers that use more than 3,000 kWh per billing period for a minimum of three billing periods in the most recent twelve consecutive billing periods, and whose demand has not equaled or exceeded 1,000 kW more than twice in the same period.²
- PGE Large Nonresidential Standard Service: Commercial customers with demand of at least 31kW, have not exceeded 200 kW more than six times in the preceding 13 months, and have not exceeded 4,000 kW more than once within the prior 13 months (or once with seven months or less of service).³
- PAC General Service Large Nonresidential: Commercial customers with demand greater than 31 kW and less than 200 kW.⁴

An IPC customer using less than IPC's threshold of 3,000 kWh monthly, could only sustain 30 kW of demand for 100 hours during a monthly billing cycle. With other factors equal, IPC's definition results in more commercial customers on the lower end of the electricity use spectrum being classified as large commercial customers by IPC than by than in PAC or PGE.

¹ "Oregon Community Solar Program Eligible Customers by Utility," Oregon CSP website, November 19, 2024, <https://www.oregoncsp.org/wp-content/uploads/2020/11/Oregon-CSP-Rate-Classes.pdf>.

² UE 426, Idaho Power's Advice No. 24-06, p. 53-56, September 30, 2024.

³ UE 416, Portland General Electric's Advice No. 23-40, p.128-131, December 19, 2023.

⁴ UE 399, Pacific Power's Advice No. 22-017, p. 13, December 22, 2022

Docket No. UM 1930
 December 2, 2024
 Page 4

The PM shared with Staff nine IPC large general service customers with monthly energy use between 4,000 kWh and 7,000 kWh and energy demand less than 31 kW. Fleet Development describes these IPC customers as “potential subscribers currently excluded,” assuming they would become subscribers of the Verde Light project if the large commercial subscription limit was increased beyond the current 50 percent of project capacity. Staff understands Fleet Development’s perspective and believes that CSP stakeholders and the Commission would not likely view these customers, which include sports bars, small apartment complexes, wellness centers, and local government office buildings, as “large” commercial customers.

Staff compared Verde Light’s subscribers to those of other operational Tier 1 regular market projects, which are all in PGE and PAC. At Certification, Verde Light was 61 percent subscribed and is now only 72 percent subscribed. This is significantly lower than all other certified and operational CSP projects with initial capacity tier (Tier 1) capacity, which are 95-100 percent subscribed. In Table 1 below, Staff compares the Verde Light project to all operational, regular market Tier 1 capacity CSP projects by CSP participant type.

Table 1: Percent Project Capacity Subscribed by Participant Type

Percent Subscribed by CSP Participant Type	Verde Light Community Solar	Average of All Operational Regular Market Tier 1 Projects in PGE and PAC (n = 13)
Residential	4%	6%
Low-Income Residential	10%	10%
Small Commercial	8%	34%
Large Commercial	50%	48%

Table 1 reveals three similarities and one key difference between Verde Light and the other Tier 1 operational projects in PGE and PAC. First, all the projects subscribe similar percentages of project capacity to large commercial customers (50 percent vs 48 percent). All the projects also subscribe similar percentages to residential customers (4 percent vs. 6 percent) and meet but do not exceed the requirement to subscribe 10 percent of project capacity to low-income residential. However, the projects in PGE and PAC subscribe between 22 percent and 40 percent of project capacity to small commercial customers, and on average 34 percent. In contrast, Verde Light is only subscribing eight percent of its capacity to small commercial. This 26 percent difference, on average, represents a significant amount of subscription fee revenue that Verde Light is not collecting and likely impacts its financial sustainability.

Docket No. UM 1930
December 2, 2024
Page 5

Staff discussed with IPC Fleet Development's analysis of PGE, PAC, and IPC's commercial customer definitions and its requested modification of subscription limits for Verde Light. IPC does not dispute Fleet Development's analysis, and generally supports Staff's recommendation to modify the large commercial subscription limit for Verde Light to allow more of the project's capacity to be subscribed.

Staff Recommendation

Staff finds that the Fleet Development is likely disproportionately challenged in its ability to subscribe small commercial customers to the Verde light CSP project. Staff also finds that this is at least in part due to the unintended impacts of IPC's definition of large commercial customers. While Staff understands that the PM also can subscribe more project capacity with residential customers, it notes that Verde Light is already subscribed to by residential IPC customers at a rate similar to comparable CSP projects in PGE and PAC.

However, Staff finds Fleet Development's request to increase the limit on large commercial subscribers from 50 percent of project capacity to 85 percent could have the effect of diminishing the residential and small commercial IPC customers already subscribed to the project. These subscribers represent 4 percent and 8 percent of subscribed project capacity respectively. If the project's limit were increased to 85 percent, it would only need to subscribe at most 5 percent of project capacity to non-LI residential participants. Staff recommends the limit on large commercial subscribers to the project be increased to 80 percent of the project's capacity.

Staff recognizes its recommendation could be potentially relevant to future CSP projects in IPC that seek Pre-Certification of the remaining 330kW of unallocated capacity in IPC. However, Staff does not find its recommendation has relevance for CSP projects outside of IPC, and does not expect to consider similar requests for modifications to subscription requirements from projects in PGE and PAC.

Staff also evaluated the PM's request and its analysis against the Program's goals of ensuring equitable access to the benefits of Solar. Staff finds its recommendation to be consistent with those goals, and narrowly applicable to the Verde Light project.

Conclusion

Collectively, Staff finds that there is adequate evidence to validate Fleet Development's arguments, and good cause for granting a waiver of the OAR. Staff recommends the Commission increase the limit on large commercial subscribers the Verde Light project from 50 percent to 80 percent. Staff finds this modification addresses the

Docket No. UM 1930
December 2, 2024
Page 6

disproportionate challenges Fleet Development has experienced and will allow the PM to subscribe over 90 percent of the project's capacity. Staff also finds the modification to 80 percent instead of 85 percent will support opportunities for more residential IPC customers to participate in CSP.

PROPOSED COMMISSION MOTION:

Grant a waiver of OAR 860-088-0080(1) to modify the large commercial subscription limit for the Verde Light Solar project in the Community Solar Program from 50 percent to 80 percent.

CA11 – UM 1930

Project Waiver Review and Recommendation

The Oregon Community Solar Program Administrator (PA) has reviewed the waiver request of the project described below and recommends that the project be granted a relief from the following PIM requirement (Section 3.9): "In the Interim Offering: No more than 50 percent of the Project's capacity is owned or leased by large commercial, industrial or irrigation Participants."

Project Information

Project ID: IP-2020-72

Project Name: Verde Light Community Solar

Project Manager: Fleet Development, LLC

Subscription Manager: Fleet Development, LLC

Utility Service Area: Idaho Power

Project Site Address: 1900 Malheur Dr, Ontario, OR 97914

Project Size (kW-AC): 2,950

Carveout-project: No

Date of Certification: 06/12/2024

Commercial Operations Date: 6/13/2024

Project Description

Verde Light Community Solar is a 2,950 kW-AC operational project located in Ontario, Oregon, in Malheur County. This is the only project currently located in Idaho Power territory. Outreach and customer management for the project are conducted by Fleet Development, LLC.

Review Summary

Date Review Completed: 9/25/24

PA Recommendation: Approve Waiver

Review Notes

The PM is requesting relief from the requirement for Tier 1 projects that no more than 50 percent of Project's capacity is owned or leased by large commercial, industrial or irrigation Participants, as cited in the Program Implementation Manual Section 3.9. The PM makes the case, and the PA agrees, that their ability to fully subscribe the capacity of the project while meeting this requirement is limited for the following reasons:

- 1) Idaho Power (IP) defines large commercial customers rates (Schedule 9) by consumption (kWh) while the other participating utilities define large commercial customers by demand (kW). Because of this discrepancy and the lower level of consumption that earns a customer a large commercial rate in Idaho Power (commercial customers that use more than 3,000 kWh per billing period for a minimum of three billing periods are given the large commercial rate), commercial customers that would be eligible for participation in the Program in other participating utilities are not eligible.
- 2) Idaho Power's potential subscriber base beyond large commercial is limited because an estimated 77% of Idaho Power's Oregon residential customers are qualified for the low-

income program. This makes Idaho Power's Oregon customer base unique from that of other participating utilities. Enrolling low-income customers in a general market subscription would preclude them from protections that are otherwise offered to low-income subscribers in the Program.

In an attempt to fill the remaining 40%, the PM has made a demonstrated effort to reach residential customers that are not low-income, an effort that other Tier 1 projects in other utilities have not been required to do. Due to the challenges described, Verde Light is still only 72.45% subscribed (10% low-income, 14.43% residential, 8.02% small commercial, 50% large commercial) despite coming online on July 1, 2024. The PM finds that additional efforts beyond what they've already done would be prohibitively expensive.

Given the unique customer base and large commercial rate definition in Idaho Power, the PA finds that the requirement that "no more than 50 percent of Project's Capacity is owned or leased by large commercial, industrial or irrigation Participants" is excessively more challenging to meet in Idaho Power than in other participating utilities and excludes commercial customers that would otherwise be able to participate in the Program.

The PA recommends waiving the rule in Idaho Power to allow commercial customers classified as large commercial to enroll in up to 90% of the project so that the project can become fully subscribed and commercial customers who otherwise would be able to participate in community solar can enroll. While the PA considered determining a way to apply PAC/PGE definitions to Idaho Power's large commercial customers, the PA finds this administratively burdensome given the small Program capacity in Idaho Power.

Attachments Included

Waiver request attached

General Waiver Request Form

The Oregon Community Solar Program allows for Project Managers to submit a waiver to the Program Administrator for select Program Implementation Manual (PIM) project requirements on a case-by-case basis. The Program Administrator may recommend a waiver of any PIM provision as part of the pre-certification, certification, or major project amendment process, subject to final approval by the Oregon Public Utility Commission.

To request a waiver to the low-income subscription discount requirement, please fill out the Low-Income Discount Waiver Request Form at www.oregoncsp.org. This form is applicable for all other waiver requests. .

The process for requesting a waiver is as follows:

- 1. The Project Manager will fill out this waiver request form and submit to the Program Administrator on the Community Solar Program Platform at www.oregoncsp.org.** Waiver requests may be submitted as part of the project pre-certification or certification submittal process. It is recommended that Project Managers submit their waiver requests early in the process in order to better inform their project planning.
- 2. The Program Administrator will review the waiver request and provide a recommendation to the Oregon Public Utility Commission.** As part of this review, the Program Administrator may schedule a meeting with the Project Manager to discuss their project plans. Waiver requests will not be granted automatically but will be considered based on their merits on a case-by-case basis. The final decision to grant a waiver is made by the Commission at the time that a project is pre-certified or certified, and the recommendation provided by the Program Administrator is not binding.
- 3. The Oregon Public Utility Commission will make a final determination on whether to grant the waiver request at the time of pre-certification or certification.** As part of approving a waiver, the Commission may place additional conditions on a project that must be met

Oregon Community Solar Program Waiver Request

Project Manager Entity Name: Fleet Development

Point of Contact Name: Ryan Sheehy

Point of Contact Phone Number: 541-263-7684

Point of Contact Email: ryan.sheehy@fleetdevelopment.org

Please provide the specific PIM language you are requesting relief from below:

PIM Chapter: 3.9a

PIM Section: Number and Type of Participants

Description:

"In the Interim Offering: No more than 50 percent of the Project's capacity is owned or leased by large commercial, industrial or irrigation Participants."

Please provide a brief narrative that describes:

- a) The reason that you are requesting a waiver, and
- b) How this waiver would benefit the Program and/or Program Participants.

You may submit this narrative as a separate document if preferred. You may also attach documentation to this waiver request if relevant and necessary.

See attached document.



Participant Allocations & CSP Subscription Impacts in Idaho Power Territory

Executive Summary

Recruiting subscribers for community solar projects in Idaho Power Company (IPCO) service territory is significantly more difficult than in Pacific Power (PAC) or Portland General Electric (PGE) territories because the program's participant capacity allocation rules do not match Idaho Power's customer demographics or rate schedules. More specifically, many business customers in IPCO territory that would be classified as Small Commercial in PAC or PGE are defined as Large Commercial ratepayers, a category which is capacity-limited programmatically. Additionally, the majority of the residential subscriber population is severely limited because it is largely comprised of lower income ratepayers that would only receive insignificant bill credits as a factor of: 1) low volume of energy use; 2) the highest program fees; 3) and the lowest bill credit rates in the community solar program. Despite the issues and challenges detailed here, there is great interest by small business owners throughout the area and we respectfully recommend an exemption to allow these customers, that in any other utility would be classified as Small Commercial, to be allowed to join the project as additional Large Commercial subscribers (lifting the program cap locally to better match the region's customer type). Our project is still actively recruiting residential subscribers, while petitioning to modify the allocation limits so that we can also serve the small business owner where the bill credit will have tremendous impact.

Background

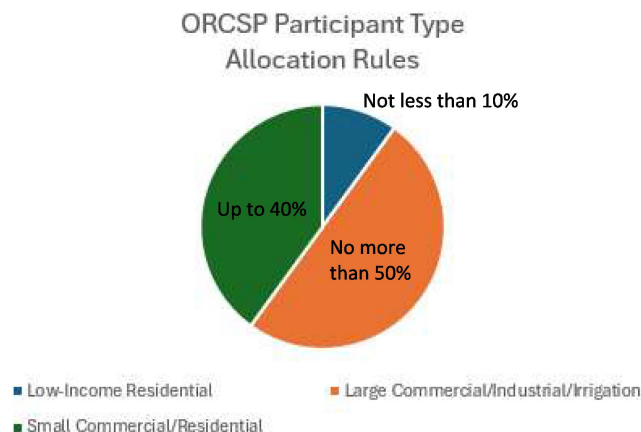
There are just ~20,245 Oregon customers in the IPCO service territory. The potential subscriber pool is quite small, and the differences from the other two utilities in rate schedule definitions and customer demographics have an exaggerated impact on recruitment.

During the process of recruiting subscribers for the Verde Light Community Solar Project, located in Ontario, Oregon, we discovered two main issues with the Tier 1 participant type allocation design that impede our ability to fully subscribe the system in a timely manner. These issues are a result of how IPCO classifies small and large commercial customers, the diminutive size of the Oregon-IPCO customer base, demographics and participation impacts, and the general support/knowledge for community solar in the Oregon-IPCO service area. These obstacles to recruitment were unknown and unanticipated during program design by stakeholders (Fleet Development was a stakeholder and low-income advocate during program design). In addition, subscription management companies have chosen not to serve this

community solar region. The result is a limitation on our project's ability to serve the interested customers in this region.

Primary Issues

- 1) **Large Commercial Rate Subscriber Cap:** The Small General/Commercial Rate definition differs significantly between IPCO and PAC/PGE. The IPCO Small General rate has a low kWh threshold, which moves many commercial customers into the Large General rate. The Large Commercial/Industrial/Agriculture subscription allocation cap then forces an exclusion of these customers.
- 2) **Customer Impact/Benefits:** IPCO's Oregon service area is predominantly located in low-income census tracts, and the ratio of low-income residential customers to other residential customers is much greater. IPCO has the lowest bill credit rate in the program and when combined with the highest utility fees, it limits CSPs ability to provide impactful discounts to potential residential customers. Because of the insignificant bill credit in this area and some quirks of the utility billing programs, these low-income customers may be better served through the low-income LIHEAP and Equal Pay programs than discounts through community solar.



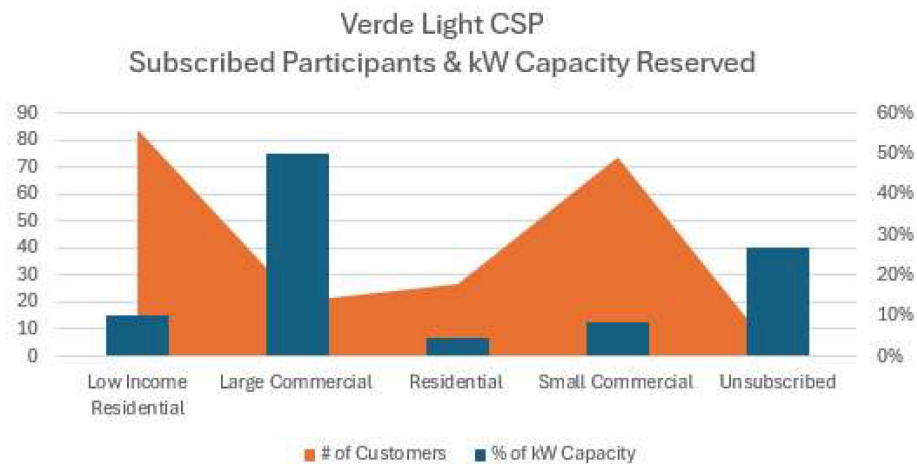
Current Project Stats

Active subscription efforts began in June 2020, a full subscription effort has been ongoing since August 2023. Overall, the subscriber recruitment was significantly delayed by the project repeatedly being put on financial hold. The project is currently 72% subscribed, with 720 kW remaining to be subscribed. We are closing an average of just three residential subscribers/month at 4 kW each, a rate that could take years to subscribe the project,

meanwhile small businesses with the Large General rate are actively trying to join the project and must be sidelined.

Current Verde Light Participant Subscription Summary

- Large General/Commercial – 50%, 20 customers
- Low Income – 11%, 84 customers (96% of accounts from subsidized housing development where property pays utility bill)
- Residential – 4%, 27 customers
- Small Commercial - 8%, 74 customers



Issue 1 - Large Commercial Rate Cap

Oregon Community Solar Program Tier 1 Participant Type Allocations

Oregon Community Solar Program Tier 1 solar system subscription allocations currently include:

- 1) Must have 10% capacity for Low-Income.
- 2) No more than 50% for Large Commercial.
- 3) Remaining capacity may be up to 40% for Small Commercial and Residential rates.

How Utilities Define Large Commercial Customers:

The following summarizes the difference between all participating utility commercial rates and how that difference impacts subscriptions to Verde Light Community Solar.

- IPCO
Large General Services Schedule 9: Commercial customers that use more than 3,000 **kWh** per billing period for a minimum of three billing periods in the most recent 12 consecutive billing periods and whose Demand has not equaled or exceeded 1,000 kW more than twice in the same period.
- PGE
Large Commercial Schedule 85: Customers in this schedule have not exceeded 200 **kW** more than six times in the preceding 13 months but have not exceeded 4,000 kW more than once within the prior 13 months (or once with seven months or less of service).
- PAC
Large Commercial Schedule 28: Commercial customers with Demand between 31 **kW** to 200 **kW**.
- IPCO defines small and large commercial rates by consumption (**kWh**) instead of demand (**kW**) like PGE and PAC.
- Since the IPCO rate is based on consumption with a very low maximum usage level (less than what many private homes consume), most commercial customers are likely to be classified as Large Commercial customers rather than Small Commercial compared to similar customers in PGE and PAC.

Examples of IPCO Large Commercial customers seeking to subscribe that would be in the Small Commercial rate schedule if they were in PGE/PAC:

- Long’s Deli – Small sports bar/restaurant: 6,000 kWh, 15kW.
- Mills Manor Apt Common Area: 5,000 kWh, 16 kW.
- Lifeways Health Center: 5,600 kWh, 20 kW
- Lifeways Rehab Center: 7,060 kWh, 30 kW
- Malheur County: 4,200 kWh, 25 kW
- Malheur County Extension Office: 3,680, 18kW
- Malheur County Fair Grounds: 5,569kWh, 13kW
- Malheur County Health Authority: 4,400kWh, 24kW
- Sayama Restaurant: 7,000 kWh, 27kW

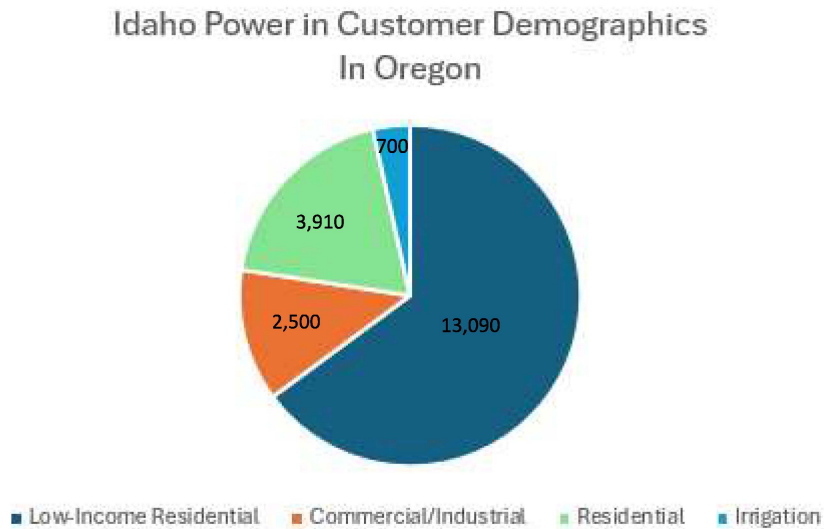
See Appendix 1 for property photo.

Size of the IPCO Oregon Customer Base:

- 4,744 square miles of rural communities and farmland
- 20,245 customers in Oregon (32% of total IPCO customers)
 - PGE has 930,000 customers

- PAC has 627,000 customers
- IPCO customer accounts: ~3.5% are irrigation, 12.5% are commercial/industrial and 84% are residential.
- Of the 24,245 IPCO customers in Oregon, approximately 700 are irrigation (3.5%), 2,500 are commercial/industrial (12.5%), and 17,000 are residential.
- 77% of the residential customers qualify for IPCO and State low-income programs with potentially better discounts and protections, which leave just 3,910 residential customers in the general market.

In summary, the IPCO potential subscriber base is predominantly Commercial, Industrial, and Irrigation (which is capped) and Low-Income Residential customer (which is disincentivized to subscribe). Difficulties with subscribing Residential subscribers are addressed in the next section.



Issue 2 - Customer Impact/Benefits

Residential Customer Demographics and Participation Impacts

Residential customers are the largest number of customers in the IPCO service area by quantity (not kW), however most qualify for low-income programs and would not benefit as well from community solar since it has the potential to increase costs and reduce protections for this unique demographic.

- According to a third-party study, the Low Income Needs Assessment (LINA), IPCO has a very different residential customer demographic than PAC/PGE. 77% of IPCO's residential customers qualify as low-income per the ORCSP definition.

- Subscribing low-income customers for the general market Residential subscription rate could remove certain protections, like that for partial payments and utility bill stabilization, which helps them manage higher winter utility bills.
- The industry-wide common discount for Residential subscribers is 5%, which equates to insignificant savings annually in Idaho Power territory. With the limited savings available to potential small Residential subscribers, those that qualify for the low-income rate would be better served by the low-income programs such as Equal Pay or LMI Bill Assistance than community solar.
- In the general residential market in this area there is a much lower percentage of potential subscribers that are concerned with offsetting their energy use with renewable energy. For most, solar is a pragmatic way to lower energy costs. The average residential customer is sized at 4 kW, and the average bill credit for a 4kW subscription is less than \$40 per year at the current bill credit rate. Unfortunately, this amount isn't sufficient to motivate some potential subscribers to overcome their concern with complicated 10-year contracts. Increasing the discount could incentivize participation but is financially infeasible for the project's expenses and debt service requirements.
- Focusing on commercial customers that serve high poverty communities vs customers with the Residential classification will better benefit those low-income customers living in the community.

General Support/Knowledge for Community Solar

- Over the past 6 months:
 - Verde Light staff have recruited 25 Residential customers and 84 Low Income customers.
 - Many of the market-rate residential (not low-income) subscribers to date were recruited by a well-known local subscriber who helped us overcome outreach barriers. However about 5 have not returned contracts after repeated attempts to contact them.
 - Almost all the low-income subscribers live at properties where the landlord pays the electric bill on behalf of the tenants, meaning there is no direct connection between the tenant and the subscription process which helps overcome outreach and language barriers.
 - Over the same period, the Community Energy Project (LIF) assisted in recruiting 6 low-income Spanish speaking customers. Only 3 have returned their contracts to participate. The other 3 did not respond to repeated attempts to contact them.
- Canvassing techniques will not work well given the rural nature of this service territory and are prohibitively expensive. Instead, we focused our residential marketing on other techniques including a Facebook page and posts, notices in Idaho Power ratepayer bills, meetings in local coffee shops, and direct outreach to the following housing

organizations. None of the housing organizations have returned calls or responded to emails, and all do not allow on-site solicitation.

- Treasure Valley Mobile Village
- Cooper Country Mobile Estates
- Westgate Community LLC
- Oregon Trail Estates Mobile Home
- Mike Hanigan – RV Park
- Housing Authority of Malheur & Harney County

Summary and Recommendation

The small commercial business owners in Ontario, Vale, Nyssa, and outlying areas are the most interested potential subscribers, and the cost savings they could receive are significant. As stated in the Oregon Community Solar Implementation Manual, the goal of the program is to *“expand access to solar energy for customers who are not able to or do not want to invest in a rooftop system, including but not limited to renters, people who live in multifamily buildings, low-income customers and small businesses in rented or leased space.”*

The Tier 1 program placed restrictions to limit the amount of capacity that Large Commercial customers can access in a community solar project. These restrictions were implemented to support the goal of expanding access to Small Commercial and Residential. However, due to how IPCO classifies Large Commercial customers, it is having the opposite effect, and many small business customers are excluded from participating in community solar. The following recommendation could provide a balanced and simple-to-implement solution.

In Idaho Power service territory, increase the capacity limit for Large Commercial subscribers to 85% of the system’s capacity to allow subscription by the small business owners expressing a desire to join this project as a subscriber.

Idaho Power has a unique service territory that has already required at least three programmatic exemptions, or program modifications, two of which are not in favor of supporting CSP success (Utility fee 336% higher than PGE and exemption from Tier 2 offering). Yet a strength of the community solar program is that it can be tailored to state and regional requirements as needed. We believe the recommended modification is a balanced response to the needs of community solar in Eastern Oregon.

For further information contact:

Fleet Development
(541) 263 1180
fleethq@fleetdevelopment.org

Appendix 1

Descriptions of Potential Subscribers Currently Excluded

Long's Deli – Small sports bar/restaurant: 6,000 kWh, 15kW.



Mills Manor Apt Common Area: 5,000 kWh, 16 kW.



Lifeways Health Center: 5,600 kWh, 20 kW



Lifeways Rehab Center: 7,060 kWh, 30 kW



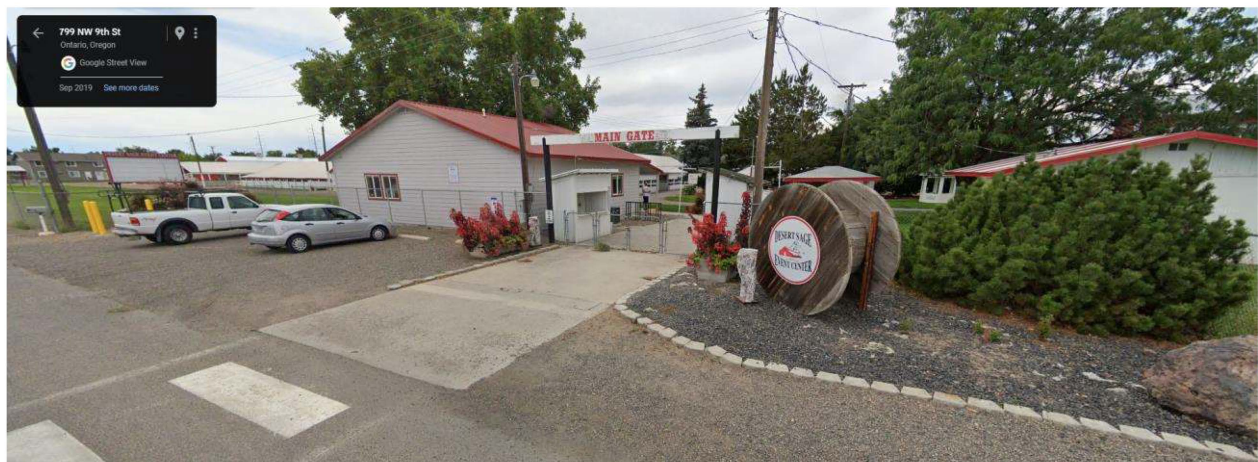
Malheur County: 4,200 kWh, 25 kW



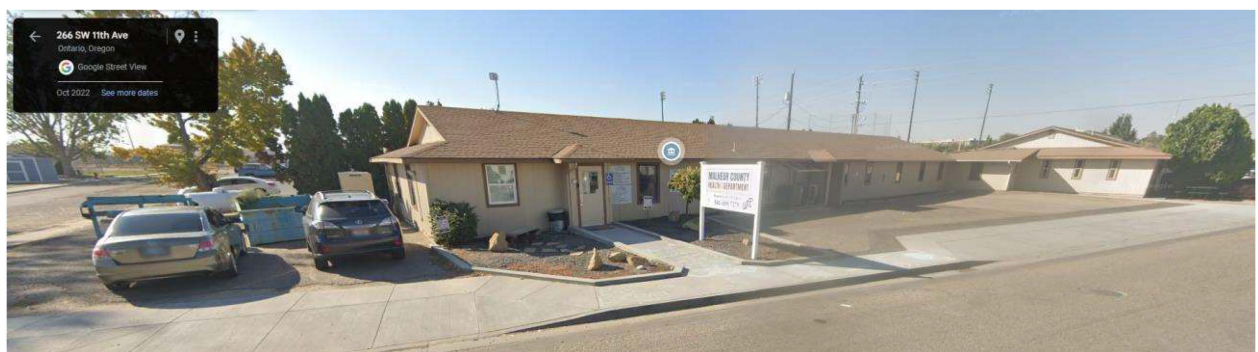
Malheur County Extension Office: 3,680, 18kW



Malheur County Fair Grounds: 5,569kWh, 13kW



Malheur County Health Authority: 4,400kWh, 24kW



Sayama Restaurant: 7,000 kWh, 27kW

