

OREGON COMMUNITY SOLAR PROGRAM



In 2016, as part of Oregon Senate Bill 1547, the legislature created a new structure for customers of Pacific Power, Idaho Power, and Portland General Electric to participate in community solar projects. This program allows customers to jointly share in the benefits of a solar energy system by receiving bill credits for their portion of solar generation. As of June, 2018, the program is still under development as the Oregon Public Utility Commission (PUC) finalizes a number of steps prior to program launch. However, a number of program elements, requirements, and goals are known in the rules. Stakeholders, including Spark Northwest, have participated in rulemaking for the past 2 years. This fact sheet provides an overview of the program elements that are known to date.



Project Size and Participants: Community solar projects can be up to 3 megawatts in peak capacity, and be located anywhere in the service area of one of the three utilities in the program. Participants in the community solar project may be residential, commercial, industrial or government electricity customers of the utility where the project is located, though each project must be composed of at least 50% residential and small commercial customers. A community solar project must have at least 10 participants, and no single participant can have greater than a 40% portion of a project.



Low Income Participation: The community solar legislation and rules require that 10% of the program capacity serve low income customers. The initial rules suggest a requirement that each project have 5% allocated to low income customers. Additional stakeholder engagement is being conducted to determine the structure for the remaining 5% in order to ensure that the overall 10% inclusion goal is met. A low income facilitator will be hired to help connect eligible low income residents with active community solar projects.



Project Management & Organization: A formal Project Administrator will be hired by the PUC to oversee the entire Oregon Community Solar program. Individual community solar projects will be managed and developed by entities called “Project Managers”. The guidelines for becoming a Project Manager are still under development and any company or organization that is approved by the PUC, including utilities, can develop and market community solar projects. There will be some aspect of consumer protection required to ensure that the Project Manager is capable and financially viable.



Bill Credit Structure: Project participants will receive monthly bill credits based on their portion of the community solar project generation in the prior month. In the initial portfolio of projects, the bill credit rate is established at the residential retail rate for each utility. In the future, the bill credit rate will likely reflect a calculation based on the Resource Value of Solar or RVOS. Total monthly generation will be calculated by the Project Manager, and the utility will collect any payments required by the Project Manager as part of a community solar subscription. Fees related to the administration of the project will also be collected, as approved by the PUC. The following is an example of how bill credits from community solar will be reflected on customer’s bills.



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Capacity Allocation: For the launch of the community solar program, the PUC established an initial pool of 40MWs for the three utilities. In order to encourage a diversity of project sizes, a carve-out for smaller projects under 360kW was established. The process to reserve capacity in the program is still under development, and will be part of the Program Implementation Manual. The details of the initial allocations are as follows:

Allocation	Total	Projects <360kW
Portland General Electric	22 MW	5.5 MW
Pacific Power	16 MW	4.0 MW
Idaho Power	3 MW	500 kW
Total	40 MW	10 MW



Terms: Participation may be structured either as an upfront ownership stake in the project or as a subscription paid over time. This allows for people with lower incomes to participate and for flexibility in project structuring. Participating customers are eligible to receive bill credits for up to 20 years, and there is a 10 year minimum term for subscriptions. Program terms related to transferability and portability of subscriptions are still under development.



Timeline for Program: In order to build a community solar project, the Project Manager must first reserve capacity for their project with Program Administrator. The Program Administrator is anticipated to be hired by the PUC in the fall of 2018. The Program Administrator will then work with stakeholders to develop a Program Implementation Manual with an anticipated program launch by spring 2019. Throughout the summer and fall of 2018, the PUC is encouraging stakeholders interested in the program to participate in topical subgroup meetings (see link to PUC below).

OPPORTUNITIES TO LAUNCH COMMUNITY SOLAR

Community solar provides an opportunity you or your organization to directly benefit from the energy and incentives available. Projects will take some time to develop and its wise to start thinking now about how you or your organization may participate in community solar.

- ✿ Engage in the PUC program development process; until the program guide is published there will be a lot of unknown elements
- ✿ If your organization has land or roof space available, consider hosting a community solar project
- ✿ Connect with organizations in your community that are interested in organizing community solar projects
- ✿ Sign up for Spark Northwest's newsletter at sparknorthwest.org to stay updated on new developments and opportunities in Oregon's community solar program

ADDITIONAL RESOURCES

- ✿ Oregon Public Utility Commission – UM 1930 Community Solar Implementation Process: <https://apps.puc.state.or.us/edockets/docket.asp?DocketID=21222>