

Renewable Energy Advisory Council Meeting Notes

February 19, 2020

Attending from the council:

Alexia Kelly, Electric Capital Management
Andria Jacob, City of Portland
Dick Wanderscheid, Bonneville
Environmental Foundation
Erik Anderson, Pacific Power
Jaimes Valdez, Portland Clean Energy
Benefits Fund

Josh Halley, Portland General Electric
Josh Peterson, Solar Monitoring, University
of Oregon
Rebecca Smith, Oregon Department of
Energy (by phone)
Suzanne Leta, SunPower

Attending from Energy Trust:

Betsy Kauffman
Dave McClelland
Lizzie, Rubado
Ryan Cook
Matt Getchell
Joshua Reed
Dave Moldal
Jay Ward

Steve Lacey
Shayna Choulet
Grace Diller
Alina Lambert
Kyle Petrocine
Samuel G. Birru
Peter Schaffer
Jeni Hall

Others attending:

Berit Kling, Pacific Power
Dan Janosec, Portland General Electric

Frank Vignola, Solar Energy Lab (by phone)
Max Greene, Renewable NW

1. Welcome, Introductions, Announcements

Lizzie Rubado, a program manager for the Renewables program, convened the meeting at 9:01 a.m.

The agenda, notes and presentation materials are available at Energy Trust's website at <https://www.energytrust.org/about/public-meetings/diversity-advisory-council-meetings/>. The meeting was recorded on GoToMeeting. If you'd like to refer to the meeting recording for further detail on any of these topics, email info@energytrust.org.

Council members were introduced to Kyle Petrocine and Alina Lambert, new staff members on the Renewables team.

2. Update on PGE Renewable Development Fund and Pacific Power Blue Sky community grant

Topic summary

Dan Janosec, who is in charge of utility grant funds at Portland General Electric, provided an overview of 2019 outcomes of the Renewable Energy Development Fund and goals for 2020. PGE is focused on building relationships with nonprofits to continue to expand benefits for customers.

Berit Kling provided an overview of Pacific Power's Blue Sky program. In the past, projects funded by Blue Sky were concentrated in and around Portland, but Pacific Power is starting to

see more geographic diversity. Projects tend to be solar because there are limited opportunities for other technologies in the territory. There will be less money available for 2020 compared with 2019 due to demand from very large projects in past years.

Discussion

Storage is not currently considered an eligible technology for funding under either program. Members asked why that is (Suzanne Leta). The current focus is renewable generation projects. Members asked if community solar projects could apply for the 2020 round of funding (Jaimes Valdez). This will be possible as long as they meet Blue Sky requirements and don't get overfunded.

Next steps

Staff and members will discuss the possibility of Blue Sky being incorporated with the Oregon Community Solar Program. Slides and application materials will be sent to members.

3. Update on the Oregon Community Solar Program

Topic summary

Ryan Cook, a program manager for the Renewables program, provided an update on the launch of the Oregon Community Solar Program in January 2020. The program is currently in the review stage of pre-certification for projects. Once projects are pre-certified, operations and recruitment of participants will begin.

The City of Portland has issued a request for information to solicit interest in the city serving as an anchor customer in community solar projects, with the intent of supporting projects in the nonprofit sector. The city is interested in working with program administrators to determine barriers.

Discussion

Members asked if the 10% low-income recruitment is per project or portfolio wide (Suzanne Leta). The program originally had the requirement portfolio wide but changed that to per project. The volume of PGE projects exceeded capacity, so a lottery was added. Members requested a breakdown of applicants (Jaimes Valdez, Alexia Kelly). Staff reported there are nine project managers, four projects in Pacific Power territory, 13 projects in PGE territory and one project in Idaho Power territory.

The carve-out section is still available for the territories and includes projects that are less than 360 kilowatts or developed by a nonprofit.

The program requires projects complete a system impact study prior to applying for pre-certification. Each utility has created a dedicated interconnection queue for declared Community Solar projects that do not exceed the minimum daytime load on their distribution circuit. Members asked if any non-PURPA projects have applied (Suzanne Leta). All Community Solar projects are required to be PURPA QFs. Members asked if there are fewer projects within Pacific Power due to the study requirement (Jaimes Valdez), which is believed to be a contributing factor. The Pacific Power queue has four projects, but members advised additional projects will be listed soon (Erik Anderson).

Members asked how many people are investing in the projects (Josh Peterson). Staff noted there are multiple ways to invest and not all investors are revealed to the program administrators. Typically, solar developers develop a project and the capital is raised from

subscribers. Project managers aren't allowed to obtain subscribers until they are officially in the program (Erik Anderson).

Next steps

Staff will provide information for the City of Portland to become more involved with recruiting nonprofits.

4. Report on Previous Years and Coming Trends

Topic summary

Betsy Kauffman, the Renewables sector lead, provided an overview of trends and projects from the past decade and insight on future projects.

Discussion

Members requested clarification on how the solar program exceeded goals by 20% (Suzanne Leta). Staff said there was a recovery in the residential market and the average residential project size increased following the expiration of the Residential Energy Tax Credit. The commercial market has also expanded. Members asked if the step down in the Investment Tax Credit (ITC) drove this activity (Suzanne Leta). Staff said strong application activity continued in January, so the ITC step down was not the only factor over the past 10 years. A large driver for the increase in projects was the larger size of modules and price declines.

Members asked about in-house lead generation (Suzanne Leta). Energy Trust does do some marketing and outreach through its website. More efforts are targeting underserved areas.

There has been logarithmic growth in the past decade in renewable project volume. Members asked for the total amount of funding per project. Over \$118 million on solar covered about 15% of project costs, which leveraged about \$200 million in federal tax credits utilized by customers through the ITC. Staff said the next decade will be focused on smaller and more niche incentive offerings, particularly for low-income and other underserved communities, and community resilience.

Next steps

Staff will work with the Oregon Department of Energy to determine whether Community Solar projects are eligible to pursue the low-income service provider portion of the department's solar incentive program.

5. Changes to Non-Residential Solar Incentives

Topic summary

Solar project manager Matt Getchell presented the program's proposal to adjust incentives in 2020 for non-residential customers to provide more support for projects that benefit underserved customers and enable community energy resilience, including community solar projects. This includes increasing incentives for projects supporting underserved customers; expanding development assistance offerings for underserved customers and projects demonstrating and supporting community resilience; and establishing a standard process to evaluate incentive proposals for custom projects, such as solar + storage projects, resilience projects, Community Solar projects or others.

Discussion

Members said they were generally supportive of the proposed strategy and focused areas (Dick Wanderscheid, Alexia Kelly, Jaimes Valdez) and that staff is equipped to help projects that will need higher levels of support (Alexia Kelly). Members requested clarification on the definition of

“underserved communities” (Jaimes Valdez) and recommended resilience should focus on efficiency and that a critical load analysis should be considered (Alexia Kelly, Jaimes Valdez). Members agreed targeted outreach for identified customers to develop tailored incentives will help in supporting underserved markets (Suzanne Leta, Alexia Kelly, Dick Wanderscheid).

Next steps

Staff will incorporate feedback from members and other stakeholders to narrow the proposed strategies to action items, targeting quarters two, three or four in 2020 for rollout of new offers.

6. Update on 2020 Legislative Session

Topic summary

Jay Ward, senior community relations manager, summarized bills and provisions in the short legislative session that started February 3, 2020. Four bills were introduced that seek to enact a cap and trade carbon reduction mechanism. Two provisions could affect Energy Trust. Transportation electrification was mentioned in many bills.

Discussion

None.

Next steps

None.

7. Public Comment

Josh Halley announced a job opening in PGE’s voluntary renewable energy program. Dick Wanderscheid said Bonneville Environmental Foundation has a job opening for a senior project manager.

8. Adjourn

The meeting adjourned at 12:03 p.m. The next Renewable Energy Advisory Council meeting is scheduled for Wednesday, April 22, 2020. That will be a joint meeting with the Diversity Advisory Council and the Conservation Advisory Council.