Renewable Energy Advisory Council Meeting Notes

October 14, 2020

Attending from the council:

Anna Kim, Oregon Public Utility Commission
April Snell, Oregon Water Resources Congress
Brikky King, All Pacific Mortgage
Jaimes Valdez, Portland Clean Energy Benefits Fund
Josh Halley, Portland General Electric
Les Perkins, Farmers Irrigation District
Oriana Magnera, Verde
Josh Peterson, University of Oregon Solar Radiation Monitoring Lab
Raphaela Hsu-Flanders, Bonneville Environmental Foundation
John Cornwell, Oregon Department of Energy
Max Greene, Renewable NW
Suzanne Leta, SunPower

Attending from Energy Trust:

Betsy Kauffman
Dave McClelland
Lizzie Rubado
Ryan Cook
Matt Getchell
Joshua Reed
Dave Moldal
Alina Lambert
Samuel G. Birru
Jeni Hall
Elizabeth Fox
Jay Ward
Quinn Cherf
Robert Wyllie
Shayna Choulet
Sue Fletcher
Gina Saraswati
Peter West

Others attending:

Angela Crowley-Koch, Oregon Solar Energy Industries Association
Jim Purekal, SunPower Corp.
Marissa Johnson, Twende solar
Ray Sanchez-Pescador, Solarize Rogue
Kacia Brockman, Oregon Public Utility Commission
Frank Vignola, Oregon Solar Radiation Monitoring Lab
Zach Sippel, Bonneville Environmental Foundation
Nate Larsen, PacifiCorp
Susan Brodahl, Energy Trust board member

1. Welcome, Introductions and Announcements

Dave McClelland, senior program manager in the renewables sector, convened the meeting at 12:10 p.m. on Zoom. The agenda, notes and presentation materials are available on Energy Trust's website at https://www.energytrust.org/about/public-meetings/renewable-energy-advisory-council-meetings/.

2. Community Solar Incentives

Topic summary

The Solar program proposes to offer a new installation incentive for community solar projects smaller than 360 kW-AC. The objective is to support the installation of smaller community-driven

projects that provide opportunities for participation to underserved customers and/or provide additional benefits for low-income customers. Staff seeks feedback on how best to prioritize incentive funding and a fair and effective application process to distribute these funds.

The three types of proposed application processes proposed by staff are open solicitation, standard incentive and competitive solicitation. The open solicitation structure requires negotiation to find an appropriate incentive for each project. This structure may present more challenges and would work best with a lower demand for projects. The standard incentive approach is similar to the solar incentives delivered by Energy Trust; funds are provided upfront and outlined to project managers ahead of time with incentives adjusted over time. A competitive solicitation structure could vary; Energy Trust would review all applications concurrently and have a predetermined scoring metric to allocate funds.

Energy Trust's policy states a portion of a project's Renewable Energy Certificates must be attributed to Energy Trust if an incentivized project is 360 kW-AC or larger. In contrast, the Oregon Community Solar program requires retiring Renewable Energy Certificates on behalf of participants. These conflicting policies mean the Solar program can only provide Community Solar installation incentives for projects smaller than 360 kW-AC. The Community Solar Program does allow project managers to aggregate systems together as a single project, but if the combined size of the solar arrays exceeds 360 kW the program would not consider the combined project to be a small project. The Solar program will need to determine how to treat aggregated projects for incentive eligibility.

Discussion
Members asked for clarification on the five projects enrolled in the community solar development assistance program and the reasoning they are not yet pre-certified within the community solar program (Suzanne Leta). Staff said projects typically apply for funding at an earlier stage than program pre-certification. Three projects received development assistance and may not ultimately request pre-certification.

Members suggested it would be beneficial for project managers to be allowed to submit multiple applications that in aggregate exceed the 360 kW-AC limit. For example, a community college or a multifamily housing project could have multiple sites and provide subscriptions for low-income customers with the aggregate exceeding 360 kW-AC (Suzanne Leta). Members recommended considering how the Renewable Energy Certificate Policy applies to Community Solar incentives and asked whether it would be feasible to increase the maximum project size for these incentives (Jaimes Valdez, Raphaela Hsu-Sanders). Project financing is more difficult on a smaller scale (Oriana Magnera).

Ray Sanchez-Pescador, a nonprofit project manager, suggested funds be made available for interconnection costs as often this is the highest financial risk to a small project. Allowing incentives to cover costs posed by utilities for required system upgrades or studies would allow projects to overcome barriers (Jaimes Valdez).

Josh Halley, a program manager at Portland General Electric, inquired about the cost difference for administering a competitive incentive process versus a first come first serve process. PGE's Renewable Development Fund uses a competitive process. Staff said a competitive process is more time-intensive than a standard offer. Angela Crowley-Koch with Oregon Solar Energy Industries Association said simplicity is valued due to the Community Solar Program being complex, and there is space for projects in the carve-out. Members expressed that incentives

should be structured to allow volume but also allow room for unique projects to advance technology (Brikky King).

Members suggested prioritizing incentives for community-based organizations with a track record of serving people of color and that are building projects that prioritize leadership instead of just partnering. Co-ops allow more opportunities for outreach to lower-income and rural communities. Projects need to empower work situations, hire people within the area, prioritize entrepreneurial venture and growth within the industry (Brikky King). Adding specificity to the language of the incentive offer that prioritized nonprofits dedicated to serving low-income and Black, Indigenous and people of color was encouraged by members (Raphaela Hsu-Flanders).

Frank Vignola of Oregon Solar Radiation Monitoring Lab suggested Energy Trust needs to work with people who have vested interests and guide project managers through the process due to experience in the process. The Oregon Public Utility Commission is considering a proposal to allow community solar projects to conduct low-income recruitment and enrollment after becoming certified and operational due to challenges in low-income recruitment within the program.

Members suggested incentives should start as soon as possible for small projects and that Energy Trust should look for a way to support projects larger than 360 kW-AC (Oriana Mangnera, Jaimes Valdez).

Members voted during the meeting that their top two priorities for incentive design are simplicity for the applicants and providing incentives that reflect the unique costs and benefits of specific projects. Members also voted that Energy Trust should prioritize incentives for nonprofit and public projects. Regarding how these should be prioritized, most voted for providing additional benefits to low-income customers and projects with specific outreach to people of color or other underserved customers. Many members projected that demand would exceed available funds, others were uncertain.

Next steps
Staff will return at November's Renewable Advisory Council meeting with an update on next steps.

3. Adjourn
The meeting adjourned at 12:58 p.m.