

Renewable Energy Advisory Council Agenda

Virtual meeting via Zoom

Tuesday, April 12, 2022 – Please note this meeting is on a Tuesday
9:30 – 11:45 a.m.

To join the Zoom meeting, you will need to register in advance:

<https://us06web.zoom.us/join/register/tZcsce2ggT8vG9VvKkifoEBjLdTdW1ITyBCag>

After registering, you will receive a confirmation email containing information about joining the meeting.

9:30 Welcome and Announcements

9:35 Renewable Energy Certificate (REC) Policy *(presentation and feedback)*
Staff will present information on a request that has been presented to the board's nominating and governance committee for a change to Energy Trust's REC policy. The change would enable Energy Trust to provide incentives to Community Solar projects larger than 360 kW to support additional participation by low-income customers. Staff will seek RAC feedback on the requested change.

9:55 Budget Discussion: Market Intelligence *(presentation and feedback)*
Staff is seeking feedback on market trends in the clean energy industry, including customer needs and emerging opportunities. This session will be facilitated and conversational. More detailed information about this session will be provided prior to the meeting. Perspectives will help inform strategic priorities for Energy Trust before kicking off the 2023/2024 budget cycle.

10:40 Solar Within Reach Results *(presentation and feedback)*
Staff will provide an overview of 2021 results and learnings from the Solar Within Reach incentive.

11:10 2022 State Legislative Session Outcomes *(presentation)*
Staff will present on the 2022 state legislative session with a focus on outcomes related to renewable energy and other Energy Trust goals.

11:35 Public comment

11:45 Adjourn

You can view this agenda and notes from previous meetings at: energytrust.org/about/public-meetings.
If you have comments on meeting notes, please email [Alina Lambert](mailto:Alina.Lambert@energytrust.org).

Next meeting: The next RAC will take place on Wednesday, June 1.

Memo

To: Renewable Advisory Council

From: Energy Trust Renewable Energy team

Date: April 12, 2022

RE: Proposal for a waiver to the Renewable Energy Certificate (REC) policy

Following is the text of a memo that went to the board's nominating and governance committee in advance of the committee's April 7 meeting. At the RAC meeting on April 12, staff will provide an update on committee action, if any, and next steps. Staff will also seek RAC feedback on the proposal described below.

Proposal:

Renewable energy staff are asking the board to approve a waiver to the organization's REC policy to allow Energy Trust to provide incentives to community solar projects larger than 360 kW without claiming RECs, in limited situations where two conditions are met:

1. Incentives are targeted to enable more participation by low-income customers in community solar projects; and
2. The RECs associated with low-income participants' community solar subscriptions are prohibited from being sold or transferred to other parties.

Background:

HB 3141 (2021) provides Energy Trust with a new requirement to spend 25 percent of renewable energy funding on "activities, resources and technologies that serve low- and moderate-income customers, including for technologies that do not have above-market costs."

Right now, our main strategy for meeting this obligation is our Solar Within Reach program for income-qualified homeowners. However, a large portion of low- and moderate-income Oregonians are renters. Staff and stakeholders have identified Oregon's Community Solar Program as the best available opportunity to serve these customers.

Oregon's Community Solar Program allows utility customers to participate as owners or subscribers in off-site community solar projects. Participants receive bill credits (similar in principle to net metering credits) for their portion of their community solar project's generation. Every community solar project is required to reserve at least 10% of its capacity for low-income customers. The program caps the subscription fees that a project may charge low-income customers, so allocating more space to low-income participants reduces a project's revenues. This negatively impacts project economics and is a disincentive for developers to offer more capacity to low-income customers. Community solar project managers have also reported higher administrative costs with serving low-income subscriptions, which tend to be smaller in size. Currently, the program's low-income facilitator, Community Energy Project, has told Energy Trust that there is more interest from low-income customers than there are available slots.

Staff are interested in providing incentives to community solar projects to make more capacity and benefits available to low-income customers. However, our REC policy prohibits us from doing this.

Energy Trust's REC policy requires that Energy Trust claim a portion of the RECs produced by any incentivized renewable energy project larger than 360 kW. This is incompatible with the statutory rules of the Oregon Community Solar Program which require that all RECs associated with a participant's ownership interest or subscription remain with the participant and be retired on their behalf. They may not be transferred or sold to another entity.

There are community solar projects smaller than 360 kW and we are working with those, but they are few in number and less cost-effective than larger projects. The best way to significantly increase the number of low-income customers receiving a benefit from solar, as directed by HB 3141, is to allow a waiver of the policy that would allow us to provide an incentive to larger projects without taking RECs.

Energy Trust staff believe that strictly enforcing the REC policy in this instance would create inequitable outcomes among the customers we serve. Because residential solar installations are uniformly smaller than 360 kW, Energy Trust does not claim RECs associated with these installations. It would be inequitable to decline to support underserved low-income households' participation solely because those customers are unable to surrender their REC claims to Energy Trust.

Feedback from stakeholders

Staff spoke to several key stakeholders in preparation for discussion with the committee.

- Erik Anderson from Pacific Power, who is a member of the RAC, is supportive of the exception, saying that he doesn't think the policy should stand in the way of serving low-income customers.
- Tess Jordan from Portland General Electric, also a member of the RAC, said the proposal sounds fine and she sees no hurdles to PGE's support
- Anna Kim, Energy Trust's liaison at the OPUC, is unable to provide an opinion until commissioners have had time to consider the idea. She said that Commissioner Tawney will be at the committee meeting.
- The proposal received support from Jaimes Valdez of the Portland Clean Energy Fund, Angela Crowley-Koch of Oregon Solar and Storage Industries Association, and Evan Ramsey of Bonneville Environmental Foundation.