

IMPACT STATEMENT

Legislation title: Authorize the City Attorney to intervene on behalf of the City of Portland in Oregon Public Utility Commission Docket UM 1716, "Investigation to Determine the Resource Value of Solar"

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Purpose of proposed legislation and background information:

On July 1, 2014, the Oregon Public Utilities Commission (OPUC) opened a docket entitled "Investigation to Determine the Resource Value of Solar", UM 1716. The resource value of solar refers to the value of the benefits solar generation brings to the utility system and electricity ratepayers in general. A determination of the resource value of solar (RVOS) is relevant to the City for several reasons:

- The City has purchased and donated several solar arrays that were incented by the State of Oregon Department of Energy's (ODOE) Volumetric Incentive Rate (VIR) program. Through the VIR program, the City receives a set incentive from the electric utilities per unit of energy generated by the installed solar arrays for a period of 15 years. At the end of the 15 year term, the incentive changes to the RVOS rate for the generation of those systems. The current UM 1716 docket will determine that rate.
- The RVOS determination will also be a critical component to the emerging community solar program being developed as part of the recent passage of the Clean Electricity and Coal Transition Act, SB 1547, in the 2016 legislative session. The outcome of this docket will inform the bill credit rate that participants may receive for their participation in a community solar project.
- A determination of the RVOS will greatly influence solar market development in Oregon and in Portland.

Intervention in the PUC proceeding will allow the City to be more fully informed of other parties' actions and comments in this proceeding, as well as influence the outcome of the proceeding in accordance with the 2015 Climate Action Plan and the benefit of the citizens of Portland. BPS will primarily staff this matter in terms of identifying and evaluating the City's policy goals and the impacts of the proposed legislation.

Financial and budgetary impacts:

Current BPS staff will participate in the proceedings; City Attorney staff is not expected to be needed. There may be a small financial impact to the City from the outcome of the docket, in that the RVOS may affect the rate the City is paid on two of its existing solar arrays at the Groundwater Pump Station Treatment Building and Southwest Community Center. However this will not take effect until 2027 and 2029, respectively.

Community impacts and community involvement:

The Climate Action Plan directs the City to intervene in matters of State renewable energy policy in order to ensure that a broad range of public benefits will be considered in valuing solar, not simply factoring in the costs to the utility sector.

Further, the emerging community solar legislation is key to furthering the City’s equity goals with respect to renewable energy. Many residents and businesses are unable to install solar on their own rooftops for a variety of reasons. Community solar will expand access to solar for more Portlanders and will enable more equitable access to renewable energy resources and benefits.

The RVOS is emerging as a key component in implementing the community solar provisions in the Clean Electricity and Coal Transition Act. A determination of the resource value of solar will impact how the market for community solar develops in Oregon. The City of Portland will represent the broad interests of its residents and businesses in helping the OPUC determine an RVOS that most accurately captures the benefits that solar brings to Oregon.

Budgetary Impact Worksheet

Does this action change appropriations?

YES: Please complete the information below.

NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount