

**SCHEDULE 216
SOLAR PAYMENT OPTION PILOT
MEDIUM SYSTEMS (GREATER THAN 10 kW to 100 kW)**

PURPOSE

This schedule establishes a photovoltaic volumetric incentive rate (VIR) pilot program as required by HB 3039 (Chapter 748, Oregon Laws 2009), HB 3690 (Chapter 78, Oregon Laws 2010 Special Session), HB 2893 (Chapter 244, Oregon Laws 2013), and OAR 860-084-0100. The pilot provides payments to retail electricity Customers for electricity generated by permanently installed solar photovoltaic energy systems.

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AVAILABLE

To Customers with Qualifying Systems (Qs), as defined in ORS 757.360(3)(b), connected to retail Customers' facilities in territory served by the Company.

APPLICABLE

To Customers that have Qs not purchased with state or ETO incentives with installed nameplate generating capacity greater than 10 kW up to and including 100 kW DC where the output is not paid for pursuant to another tariff schedule, that meet the eligibility requirements in OAR 860-084-0120, and where the monthly generation does not exceed Total Monthly Use pursuant to a Solar Photovoltaic Pilot Program and Interconnection Services Agreement (Agreement).

PARTICIPATION

As determined by Commission Order 11-339, the allocated capacity will be divided between the net metering and competitive bidding options. The enrollment windows will alternate between the net metering and bid options.

A Customer who expects to install a medium system under this schedule has the option to submit a bid in the RFP or a capacity application during corresponding open enrollment periods. Submission of a bid or a capacity application does not guarantee participation in the pilot. Successful bidders and Customers awarded capacity will be notified.

(A) Competitive Bid Option – Request for Proposal

The Company will announce an RFP no later than 30 business days before October 1 for each pilot year or as directed by Commission Order 11-339. Participants will have at least 30 days to submit proposals for a QS including the proposed VIR.

SCHEDULE 216 (Continued)

PARTICIPATION (Continued)

(B) Net Metering Option – Capacity Reservation Enrollment

The Company will accept new capacity reservation applications for program participation on April 1 for each pilot year pursuant to Commission Order 11-339 except in 2015 when the enrollment period starts on May 1. Customers may apply online beginning at 8 a.m. If the 1st occurs on a weekend or holiday, the Company will accept applications on the following business day.

Capacity is initially allocated by a 24-hour lottery or as directed by the Commission. After capacity fills remaining Customers will be placed on a waitlist. The waitlist expires at the end of each enrollment period. The enrollment window is open for three months.

If capacity is not filled in the lottery, then capacity is reserved on a first-come, first-served basis.

VOLUMETRIC INCENTIVE RATE

(A) Competitive Bid Option

The Company pays applicable rates to the QS Customer for eligible generation based on a successful bid from the competitive bidding process.

(B) Net Metering Option

If the customer is awarded capacity during open enrollment, the Company pays the applicable gross VIR for eligible generation from the participating Customer with a capacity reservation awarded on or after August 25, 2015.

<u>Description</u>	<u>Hood River County</u>	<u>All Other Counties</u>	
Medium is >10 kW - 100 kW DC Nameplate Capacity	26.81	25.26	¢ per kWh

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Under the net metering option, the gross VIR applies up to the Total Monthly Use and consists of two components: (1) a retail bill offset based on applicable volumetric (kWh) charges, and (2) a net VIR payment. Kilowatt-hours generated in excess of the Total Monthly Use will be carried forward to the next month as provided in OAR 860-084-0360. Total Monthly Use is defined as net kWh from the retail meter (may be positive or negative) plus kWh from the QS meter.

The rate in place at the time of the Reservation Start Date, defined in OAR 860-084-0010(17), applies to the entire 15-year life of the Agreement.

SCHEDULE 216 (Continued)

VOLUMETRIC INCENTIVE RATE (Continued)
Net Metering Option (Continued)

VIR Adjustment

The Commission may adjust the VIR to be effective on April 1 of each year Consistent with Commission Order Nos. 11-280 and 11-339. For Spring 2015, per OPUC Order 15-092, the enrollment window begins at 8 a.m. on May 1, 2015. Pursuant to Commission Order No. 15-250, the Commission directs that any remaining capacity be distributed to applicants that are already on the waiting list as part of the May 2015 window. Distribution of any remaining capacity of the VIR program will continue until the earlier of March 31, 2016, or the installation of all program capacity (27.5 MW).

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VIR Payments

VIR payments under this pilot occur no later than 45 days from the last day of the Customer's billing period. The VIR payment will be reduced by the amount of the retail bill offset for a net VIR payment. The Customer may choose among three payment options for the net VIR payment:

- (1) receive a direct payment,
- (2) have payments netted against the Customer's retail bill, or
- (3) assign the payment to a single assignee.

Excess Annual Kilowatt-hour Credits

In accordance with OAR 860-084-0360, at the end of the last monthly Billing Period ending on or before the last day of each generation year, any excess generation kWh credits accumulated will be transferred to the Company's low income assistance program at the average annual Schedule 201 Avoided Cost rate. The default generation year is April 1 through March 31. The Customer's excess kWh credits are set to zero for the beginning of the subsequent annual billing cycle.

CUSTOMER COSTS

Capacity Reservation Deposit

The Customer pays a deposit of \$500 minimum or \$20 per kW of the proposed system capacity at the time of enrollment or bid submission. The deposit is refundable unless the capacity reservation expires or the Customer cancels the reservation, in each case the applicant forfeits the deposit.

Customer Charge

The Customer pays the Company a \$10.00 Customer Charge per month for each separately metered QS. This is in addition to the Basic Charge for providing Electricity Service to the Customer. The VIR payment will be reduced by the Customer Charge under this schedule.

SCHEDULE 216 (Continued)

CUSTOMER COSTS (Continued)

Assignment Fee

The Customer may assign the net VIR payment each month to a single assignee and the Company will make the payment to the assignee. A one-time assignment fee of \$25 applies for each payment assignment or reassignment.

Interconnection Review Fee

For an interconnection review, a fee may apply as provided in OAR 860-084-0320 and 0330. Other costs may apply for modifications to the electric distribution system or for additional review.

- Level 1 No charge applies
- Level 2 up to \$50.00 plus \$1.00 per kW of the Qualifying System's capacity
- Level 3 up to \$100.00 plus \$2.00 per kW of the Qualifying System's capacity

SOLAR PHOTOVOLTAIC PILOT PROGRAM AND INTERCONNECTION SERVICES AGREEMENT

The Customer must execute a Solar Photovoltaic Pilot Program and Interconnection Services Agreement with the Company and meet all criteria under OAR Division 84 – Solar Photovoltaic Programs prior to delivery of power to the Company.

METERING REQUIREMENTS

The Company will install and own the required QS metering equipment at its expense.

(A) Competitive Bid Option

Customers served under this option must be separately metered from all other load and generation and operate in parallel with the Company's distribution system.

(B) Net Metering Option

Customers served under this option must have a PGE-owned meter that measures QS generation net of parasitic load. This meter must be located on the Customer side of the retail meter and on the AC (output) side of the inverter in a location that measures the entire output of the system. The additional meter does not change the Customer's point of delivery.

SCHEDULE 216 (Continued)

SPECIAL CONDITIONS

1. Division 84 of the Oregon Administrative Rules (OAR) Chapter 860 contains additional details that apply to this pilot.
2. The QS must be constructed from new components and operational no sooner than July 1, 2010.
3. The Customer-generator is responsible for obtaining all necessary government approvals relating to its QS facility and must meet all applicable building codes and standards including standards specified in OAR 860-084-0260.
4. The Customer-generator is responsible for all costs associated with its QS facility, including interconnection costs incurred by the Company, and is also responsible for all costs related to any modifications to the facility that may be required by the Company resulting from the reviews as provided for in OAR 860-084-0310, 0320 or 0330, as applicable.
5. As provided in OAR 860-084-0340 and where applicable, a manual disconnect switch capable of isolating the QS from the Company's system and accessible to the Company at all times must be provided by the Customer-generator.
6. Under the net metering option the estimated kWh output of any QS must not exceed 90% of the actual usage in the most recent 12 billing periods at the premise where the eligible system will be installed. If less than 12 billing periods of actual usage is available at existing premise or new construction, then the annual usage by a similarly situated Customer may be used or a Customer may submit PGE's load estimation document. (T)
7. The Customer is not eligible for service under both this schedule and Schedule 203, Net Metering Service for each separately metered account. Each separately metered retail account may only have one QS meter. A Customer is eligible for additional QSs only if the VIR for the additional QS is the same as the first QS.
8. All renewable energy credits (RECs) or other benefits or allowances for which the QS qualifies or creates under current or future law relating to renewable energy are property of the Company.
9. The Company maintains the right to inspect the facilities with reasonable prior notice and at a reasonable time of day.

SCHEDULE 216 (Concluded)

SPECIAL CONDITIONS (Continued)

10. The Company maintains the right to disconnect, without liability, the Customer-generator for issues relating to safety or reliability.
11. The Company will not be liable directly or indirectly for permitting or continuing to allow an attachment of a QS, or for the acts or omissions of the Customer-generator that cause loss or injury, including death, to any third party.
12. Participants are required to meet general liability insurance requirements set forth in applicable Solar Photovoltaic Pilot Program and Interconnection Services Agreements in order to protect against injuries to property or persons caused by the QS. The applicable Agreements contain insurance limits and provisions, as well as the basis for making representations of equivalence.

TERM

Each Solar Photovoltaic Pilot Program and Interconnection Services Agreement will have a term of 15 years at the applicable VIR. In accordance with OPUC Order No. 14-025, the pilot will close to new capacity reservations on March 31, 2016, or when the cumulative capacity of contracted systems in the pilot reaches 27.5 MW AC statewide per OAR 860-084-0150, whichever comes first.

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