



Portland General Electric

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Senator Janeen Sollman, Chair, Senate Energy and Environment Committee
900 Court St. NE
Salem, OR 97301

February 26, 2025

Re: SB 92, -2 Amendment

Chair Sollman, Vice Chair Brock Smith, and members of the committee,

Thank you for the opportunity to provide testimony on SB 92 on behalf of Portland General Electric. PGE is an integrated energy company that generates, transmits and distributes electricity to over 950,000 customers serving an area of 1.9 million Oregonians in seven counties and 51 incorporated cities. We are proud to be an Oregon company and Oregon's largest provider of electricity.

SB 1547 (2016 session) directed the Oregon Public Utility Commission to establish a community solar program and laid out the program's statutory framework. The OPUC then undertook an extensive rulemaking process for the program, codifying the rules in Chapter 860, Division 88. PGE supported SB 1547, and today, we have over 46MW of community solar projects interconnected on our system.

While we appreciate the desire to expand Oregon's Community Solar program, we are concerned about the cumulative impact of the statutory changes outlined in SB 92 with the -2 Amendment and potential cost impacts to all customers.

Program caps, project size, and location: The OARs established the initial program capacity tier (2.5% of the electric company's 2016 system peak) and explicitly state that the OPUC may establish successive tiers. In rule, projects are currently capped at 3MW or less, and projects are required be located in the service area of the subscribers. We are concerned about sweeping statutory changes to the program details that were established in the commission rulemaking process. Most other states cap projects at 5MW or less¹, far below the proposed change in the -2 Amendment to 20MW. Locating projects outside of our service area also shifts how we think about "community", would impact how we meter projects, and add transmission costs.

Interconnection: Many of the items proposed around interconnection are actively being discussed at the OPUC in UM2111, the state interconnection modernization docket. This docket includes discussions around penalties and the use of third-party contractors to build interconnection upgrades. We believe that discussion should continue at the OPUC.

Costs: PGE is currently paying over \$117/MWh for power from community solar projects. This is nearly two times more expensive than the average utility-scale renewable resources in our 2021 RFP at \$60/MWh. All customers classes help subsidize this program, with the typical residential customer paying \$0.23 monthly. We are actively working with legislators and stakeholders on a variety of bills around utility affordability and know that increasing utility costs are of deep concern. Dramatically increasing this program will have an impact on customer bills.

PGE regrettably opposes SB 92 and the -2 Amendment.

A handwritten signature in black ink, appearing to read "Greg Alderson", followed by a horizontal line.

Greg Alderson
Senior Manager, State and Federal Government Affairs

¹ National Renewable Energy Lab State Policies and Programs for Community Solar data set, <https://data.nrel.gov/submissions/249>