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Jeff Killip
Executive Director & Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

RE: Joint Comments on Behalf of the NW Energy Coalition, Olympia Community Solar, and Spark Northwest on PSE's Schedule 686 ([Docket UE-240565](#))

Dear Mr. Killip,

The NW Energy Coalition, Olympia Community Solar, and Spark Northwest appreciate the opportunity to provide comments in this docket holding five PSE tariff revisions pertaining to distributed energy resources. Below we offer comments pertaining to **Schedule 686 – Solar Energy Credit Multi-Occupant Allocation Service**.

We appreciate PSE's proposed Schedule 686, which will help make the benefits of solar more accessible to renters and homeowners living in multifamily housing complexes. Washington has historically lacked a way to offer the benefits of distributed solar to multifamily residents. This has unfairly and inequitably excluded Washingtonians who are more likely to be renters, have lower incomes, and higher energy burdens. We recognize and appreciate the step forward that PSE is taking in offering Schedule 686 as a solution to address the longstanding need. We recommend the Commission approve Schedule 686 as a pilot program subject to review after two years. After two years of operational experience, the Company should be required to gather feedback from stakeholders, including its Conservation Resources Advisory Group (CRAG), and seek the Commission's re-approval after proposing any potential modifications that address feedback.

Concerns and Recommendations

Compensation Inequity

Concern: In the beginning of their filing, PSE acknowledges that the rate proposed for Schedule 686 is the same rate used for Distributed Solar (667) and Community Solar (134).

While we understand this model of distributed solar is unique from net metering, there is a large disparity between retail rate net metering for homeowners and the proposed rate credits for multifamily residents. The filing containing the proposed Schedule 686 describes the proposal as a way to make the benefits of solar more accessible to Washingtonians. In principle, we agree, which is why we support implementing the program as a two-year pilot. However, in practice, we don't believe PSE has demonstrated the appropriateness of the proposed compensation rate for this program. Offering a significantly lower credit rate to residents of multifamily housing as compared with the credits offered to single family homeowners will perpetuate the disparity between single family homeowners and residents of multifamily housing. It may be unclear to the public why there is a difference in rate and could appear as differential treatment based on housing type.

Recommendation: We recommend PSE provide further justification for the compensation rate of this program, including making workpapers publicly available for review by stakeholders and the CRAG.

Modifying Solar Energy Credit Allocations

Concern: The filing proposes allowing a single allocation update per year. Multifamily housing units, particularly low-income or transitional housing units, experience high rates of resident turnover. The flexible transferability of credit allocations is a key factor in customer satisfaction and program effectiveness.

Recommendation: PSE should allow customers to request an allocation change at any time, and the new allocation should be implemented within a reasonable number of monthly billing cycles.

Occupant Meter Location

Concern: The filing proposes that the Occupant Meter must be located on the same or contiguous parcel as the Designated Meter (the solar energy system location) unless the project and Occupant Meters are within the boundaries of Tribal Land.

Recommendation: PSE should remove the requirement for siting generation equipment on the same or contiguous parcel as the Occupant Meter for the following reasons:

- Most multifamily buildings (particularly multi-story buildings) do not have roof space for enough solar generating capacity to meaningfully reduce the building's energy consumption. Allowing solar credits from other sites may allow participating customers to realize additional economic benefit.
- Many buildings are not suited to host solar panels, particularly in the western half of the state (i.e., PSE's service area). Shading from trees, old rooftops, roof-mounted HVAC equipment, and poor orientation often prevent the installation of rooftop solar. Allocating solar credits from other sites will allow customers with poor rooftop availability to benefit from the program.
- This program's proposed credit rate is the same as the PSE community solar program, which has no participant location limits. If crediting from one parcel to another is available to community solar customers, and to tribal participants of the Multi-Occupant program, why restrict this program by project location?
- The subscription fee structure of PSE's community solar program requires subscribers that do not qualify for income subsidies pay premiums to participate. The community solar program is not a cost-effective alternative for all multi-family buildings without adequate solar resources or space. Customers that choose the community solar program will be subject to subscription fees that exceed the value of their bill credits.

Pilot Implementation

Concern: We know from experience that it can be difficult to assess how effective a program will be without at least a year of preliminary generation and monitoring. Additionally, the requisite process of outreach, applying for incentives, construction, and interconnection can often take up to a year, and it will be important to have at least one year of operational experience to assess the program's effectiveness.

Recommendation: Implement the program in a pilot stage for two years and collect relevant data (e.g., customer participation, customer satisfaction, bill savings) to inform its full implementation.

Transparency

Observation: We appreciate that PSE has discussed this tariff and other DER tariffs with its CRAG.

Recommendation: We encourage PSE to provide regular and frequent updates to the CRAG and in other appropriate advisory groups and public forums on the implementation of multifamily solar and its DER programs, especially after tariff revisions.

Conclusion

We appreciate PSE's proposed Schedule 686 as it meets an unfulfilled customer need by offering distributed solar to multifamily residents, and we applaud PSE's initiative. We urge the Commission to approve PSE's multifamily solar tariff as a pilot offering for two years, subject to further review and evaluation. Additionally, we encourage PSE to transparently engage with its advisory groups and customers about the progress and implementation of multifamily solar as the process moves forward.

Thank you for considering our comments.

Respectfully submitted,

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