SCHEDULE 217
SOLAR PAYMENT OPTION PILOT
LARGE SYSTEMS (GREATER THAN 100 kW to 500 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), and OAR 860-084-0100. The pilot provides payments to retail electricity Customers for electricity generated by permanently installed solar photovoltaic energy systems. Capacity under this schedule is awarded based on an annual competitive bidding process. **(C)**

AVAILABLE

To Customers with Qualifying Systems (QSs), as defined in ORS 757.360(3)(b) located on retail Customers' property in territory served by the Company.

APPLICABLE

To Customers that have QSs not purchased with state or ETO incentives with installed nameplate generating capacity over 100 kW up to and including 500 kW DC where the output is not paid for pursuant to another tariff schedule and that meet the eligibility requirements in OAR 860-084-0120.

MONTHLY RATE

Customer Charge

The Customer pays the Company a $10.00 Customer Charge per month for each separately metered QS.

Volumetric Incentive Rate

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

SOLAR PHOTOVOLTAIC PILOT PROGRAM AND INTERCONNECTION SERVICES AGREEMENT

The Customer must have a successful bid in the Request for Proposal (RFP) process, 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. The Customer must certify that they eligible to make wholesale sales of energy at market-based rates.

In accordance with terms set out in this schedule and the Commission's Rules as applicable, the Company will provide the Customer with a photovoltaic VIR payment for energy made available from the Customer's QS.

SCHEDULE 217 (Continued)

VIR PAYMENTS

The VIR payment will be reduced by the Customer Charge under this schedule. 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.

METERING AND INTERCONNECTION REQUIREMENTS

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

REQUEST FOR PROPOSAL

The Company will announce an RFP for each pilot program year. Participants will have at least 30 days to submit proposals for a QS including the proposed VIR.

ANNUAL CAPACITY RESERVATION

The Customer must submit an application package meeting the requirements of OAR 860-084-0230(2). A capacity reservation deposit of $20 per kW of the proposed system DC nameplate capacity is required with the capacity reservation application. The deposit is refundable unless the capacity reservation expires or the Customer cancels the reservation, in each case the applicant forfeits the deposit.

Capacity reservations under this schedule are awarded annually based on competitive bidding. The capacity reservation begins when the bidder is notified of a successful bid. Notification will occur within 15 business days after the bidding response deadline based on least bid VIRs and available capacity.

A capacity reservation expires two months from the Reservation Start Date if an interconnection application is not filed. If an interconnection application has been filed, the capacity reservation expires six months from when the interconnection application is filed or one year from the Reservation Start Date if the system has not been installed, whichever is longer. See OARs 860-084-0195 through 860-084-0230 for additional capacity reservation rules.

ANNUAL CAPACITY RESERVATION LIMITS

The Company will award bids annually up to the periodic available capacity, pursuant to Commission Order 10-198.

SCHEDULE 217 (Continued)

INSURANCE

Participants are required to meet general liability insurance requirements set forth in the applicable Solar Photovoltaic Pilot Program and Interconnection Service 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.

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. The Company provides the QS meter.

5. As provided in OAR 860-084-0340 and where applicable, a manual disconnect switch capable of isolating the QS facility from the Company's system must be provided by the Customer-generator and will be accessible to the Company at all times.

6. 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.

7. The Company maintains the right to inspect the facilities with reasonable prior notice and at a reasonable time of day.

8. The Company maintains the right to disconnect, without liability, the Customer-generator for issues relating to safety or reliability.

SCHEDULE 217 (Concluded)

SPECIAL CONDITIONS (Continued)

9. 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.

10. The Company will apply the following fees to each QS interconnection application as provided in OAR 860-084-0320, 0330:
    a) For Level 2 interconnection review, $50.00 plus $1.00 per kW of a QS facility capacity.
    b) For Level 3 interconnection review, $100.00 plus $2.00 per kW of a QS facility capacity.
    c) For Level 2 and 3 interconnections, the reasonable costs for additional engineering and Company system modifications.

11. Pursuant to Commission Order No. 14-025, there is no enrollment window in October 2014. However, a new window will start May 1, 2015 to "clean up" the remaining capacity. **(N)** **(N)**

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 VIR pilot program will close to new capacity reservations 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. **(C)** **(C)**