

Frequently Asked Questions

1. What is a community solar program?

Community solar is a solar power installation that provides shared benefits to participating community members. Community solar helps public power utilities to offer a valuable service to customers who are seeking renewable power but lack the financial means to buy or lease rooftop solar panels, have rooftops on which they cannot install solar panels, or may be renters.

2. What is the benefit for me to participate in a community solar program?

A community solar program offers a low-cost, low-maintenance, low-risk way to access solar energy. For anyone considering a do-it-yourself home solar array, a community solar program moves the risk and upfront costs to your utility. Ultimately, a community solar program offers one more way to access renewable energy.

3. How would OPPD's proposed solar program work?

Those interested would first enroll with a 5, 10 or 20-year contract, select the percentage of energy usage they would like to offset with solar energy – 10% to 50% of monthly usage – and then pay a one-time, refundable deposit.

Once a participant selects an offset percentage, for example 50%, their billing would reflect 50% of their energy usage at a normal residential rate for non-solar energy and 50% of their energy usage using a solar rate rider. Solar rate rider components would include the normal residential rate; costs to build the solar facility and connect it to the electrical grid; as well as a credit for the value the solar energy produced during a given period would have in the marketplace.

4. How much of my electricity would come from solar?

Participants could choose to offset between 10-50% of their monthly usage with solar energy.

5. What happens if I would move or sell my home?

With OPPD's proposed community solar program, participants could continue to participate in the program, as long as they still lived within OPPD's service territory. If you move within the OPPD service territory, your participation moves with you.

6. How is the proposed community solar program different from the OPPD's Green Power Rider?

OPPD's Green Power Rider is a voluntary rider that offsets costs related to green power production – specifically OPPD's first wind generation contracts. The Green Power Rider does not have a contract or require a deposit and bills at a monthly, flat rate.

7. How is this approach different from programs offered by other utilities?

Each utility’s community solar program must meet the needs of its respective customer base. OPPD’s approach is based on customer feedback around the desire for a low-risk, low-cost, low-effort community solar option. Customers indicated a desire for a pay-as-you go approach; additionally, a majority of those surveyed felt that program participants, as opposed to all customers, should pay for the costs of the program. In some cases, these elements may be different from programs offered by other utilities.

A truly unique element of the proposed program is the market-based solar rate rider, which ensures that only program participants bear the costs of the program, as well as receive all of the benefits. Additionally, the market-based approach ensures that the program is scalable for future needs and desires.

8. Explain the rate to me, simply.

When participants enroll in the program, they select the percentage of their energy usage they would like to offset with solar energy. Let’s use an example of a residential customer who offsets at 10%. The cost of energy will include the following components:

1. The service charge all OPPD customers pay
2. 90% of your energy usage billed at normal retail rate
3. 10% of your energy usage billed at normal retail rate, plus the cost of the solar Purchase Power Agreement (PPA) and interconnection
4. A solar **credit**, based on your 10% offset. This credit is roughly, what OPPD could sell the amount of solar energy for in the energy marketplace, i.e., the market value of solar. The value of the solar credit is calculated using a formula that takes into account the average price of solar based on time and day of energy production, as well as any credits OPPD might receive from SPP for capacity.

9. I am a net metering customer. Can I participate in the community solar program too?

Yes, you can.

10. Why can I only purchase 50% of my needs from community solar?

By the time OPPD’s community solar facility comes on line, OPPD will be close to achieving 50% of its retail sales from renewable resources. If a customer were to participate in community solar at 50% of average consumption, then on an annual basis, their energy usage would be produced 100% by renewable resources.

11. What other methods did you use to value solar?

OPPD reviewed Community Solar projects across the country and determined there was not a universally excepted method for crediting the production back to participants. OPPD relied on the Strategic Directives to determine the focal components of the rate design and landed on the market valuation approach.