

**PACIFIC POWER & LIGHT COMPANY
NET METERING OPTION
VOLUMETRIC INCENTIVE RATE PILOT
OPTIONAL FOR QUALIFYING CUSTOMERS**

**OREGON
SCHEDULE 136**

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Available

In all territory served by Company in Oregon. Capacity Reservations shall be available on a first-come first-served basis, until the capacity limit for the system size class is reached in each allocation period. Capacity limits and allocation periods are established by Commission order.

Applicable

To consumers who own Eligible Systems with a capacity of not more than one-hundred (100) kilowatts or who own the property on which an Eligible System with a capacity of not more than one-hundred (100) kilowatts has been installed. Consumers served under this Schedule shall be required to enter into a standard fifteen (15) year contract with the Company. This Schedule is offered in compliance with ORS 757.365 as amended by House Bill 3690, OAR 860-084-0010, and OAR 860-084-0100 through -0450.

Definitions

Billing Period

Billing period means the time period between the Company's consecutive readings of consumer's meter. References in this tariff and in the Commission's Division 84 rules to "monthly" intervals mean billing period intervals, where appropriate.

Eligible System

A solar photovoltaic system whose primary purpose is to meet the consumer's load service obligation and is metered to measure the quantity of energy generated, permanently installed in the State of Oregon, comprised of all new components and first operational and on-line after July 1, 2010, financed without expenditures under ORS 757.612 (3)(b)(B), tax credits under ORS 469.160, ORS 469.185 to 469.225, or Blue Sky program grants, and certified by the consumer as constructed from new components (modules, inverter, batteries, mounting hardware, etc.).

Pilot Year

In 2010 the Pilot Year will be the nine-month period beginning July 1, 2010; thereafter the Pilot Year will be the twelve-month period beginning on April 1 and ending on March 31 of each year until March 31, 2015, or when the Company reaches 100 percent of its allocated solar photovoltaic pilot capacity limit.

Generation Year

The default Generation Year is April 1 to March 31. At the time of entering into the standard contract, a consumer may choose an alternative Generation Year.

Eligible Energy or Eligible Generation

The kilowatt-hours that may be paid at the net Volumetric Incentive Rate are equal to the usage of the consumer in the Generation Year that the energy is generated by the Eligible System. In a given billing period, this Eligible Energy or Eligible Generation is equal to the actual usage of the consumer for that same period.

Excess Generation

Excess Generation means the Eligible Generation generated in excess of consumer's retail consumption over the applicable billing period.

Payable Generation

Payable Generation means all Eligible Generation during the applicable billing period, plus any Excess Generation accrued but not compensated previously in the Generation Year, up to consumer's retail consumption over the applicable billing period.

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Definitions (continued)

Qualifying Assignee

A person to whom a consumer may assign Volumetric Incentive Rate payments under the standard contract. The Company or its affiliate or any other regulated utility is not a Qualifying Assignee. Qualifying Assignees include, but are not limited to:

- (a) a lender providing up-front financing to a consumer,
- (b) a company or individual who enters into a financial agreement with a consumer to own and operate an Eligible System on behalf of the retail electricity consumer in return for compensation,
- (c) a company or individual who contracts with the consumer to locate an Eligible System on property owned by the consumer, or
- (d) any party identified by the consumer to receive payments that the Company is obligated to pay to the consumer.

Reservation Start Date

The date the consumer is notified of securing capacity through a Capacity Reservation process and of the start and expiration dates for that Capacity Reservation. The Reservation Start Date initiates the time to secure a completed interconnection agreement.

Capacity Reservation

1. Applications to reserve capacity under this Schedule may be submitted to the Company at any time during the Pilot Year until the Company reaches 100 percent of its allocated solar photovoltaic pilot capacity.
2. A Capacity Reservation deposit of \$20 per kilowatt of proposed system capacity is required with each Capacity Reservation application. If consumer's Capacity Reservation application is rejected, Company will return consumer's deposit within 45 days.
3. Within two months of securing a Capacity Reservation, consumer must submit a completed application for interconnection that meets all the requirements of OAR 860-084-0270, and an estimate of annual system Energy Generation using the methodology identified in OAR 860-084-0100(2)(e).
4. Capacity Reservations shall expire if a completed interconnection application is not submitted within two months of the Reservation Start Date, or if the system has not been installed within twelve months of the Reservation Start Date.
5. After interconnection, the Capacity Reservation deposit shall be refunded or credited to the consumer within 45 days after their first bill under the program. If the Capacity Reservation expires, the Capacity Reservation deposit will not be refunded.

Standard Contract

After consumer's application for interconnection is complete, and after the Company has determined interconnection to be feasible, Company and consumer will enter into a 15-year standard Volumetric Incentive Payment and Interconnection Agreement. A copy of the standard contract may be viewed at: <http://www.pacificpower.net/env/nmcg/osip.html>.

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Monthly Billing

The Electric Service Charge shall be computed in accordance with the Monthly Billing in the applicable standard service tariff plus the Solar Meter Charge.

Solar Meter Charge

\$10.00 per month

Volumetric Incentive Rate

For consumers who reserved capacity on or after the effective date of this tariff, Volumetric Incentive Rate shall be the following during the contract effective period:

Rate Class	County	Project Size	
		Small Scale Systems (≤ 10 KW) \$/kWh	Medium Scale Systems (> 10 KW and ≤100 KW) \$/kWh
1	Benton, Clatsop, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, and Yamhill	0.65	0.55
2	Coos, Douglas, and Hood River	0.60	0.55
3	Gilliam, Jackson, Josephine, Klamath, Morrow, Sherman, Umatilla, Wallowa, and Wasco	0.60	0.55
4	Crook, Deschutes, Jefferson, and Lake	0.55	0.55

The rate in place at the time of the Reservation Start Date applies to the entire 15-year life of the standard contract. Payments for Payable Generation shall be made at the net Volumetric Incentive Rate which is equal to the Volumetric Incentive Rate specified in the standard contract minus the energy charge components of consumer's retail rate in effect at the time of payment.

After the fifth month* of each allocation period, the prevailing Volumetric Incentive Rate listed in this Schedule are subject to change based upon capacity reservation subscription for the capacity limits of each system size class within the allocation period. Price changes shall be determined by the following table:

After the fifth month of the Pilot Year, if capacity reservation for the system size in the allocation period is...	Then the Volumetric Incentive Rate shall be...
Less than 50 percent subscribed	Increased by 10 percent
More than or equal to 50 percent and less than 75 percent subscribed	Increased by 5 percent
More than or equal to 75 percent and less than 100 percent subscribed	Unchanged
100 percent subscribed during the fourth or fifth month of the Pilot Year	Reduced by 5 percent
100 percent subscribed within the first three months of the Pilot Year	Reduced by 10 percent

*For the first allocation period this will occur after the second month.

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Special Conditions

1. Retail Electric Service Charges
 - a. For any billing period when Eligible System generation is less than consumer's Billing Period usage and the consumer has no unused Excess Generation credits, the Company will charge the consumer the appropriate monthly charges and all applicable charges for the net energy supplied by the Company.
 - b. For any billing period when Eligible System generation is greater than consumer's Billing Period usage, the Company will charge the consumer the appropriate monthly service charges and credit the amount of surplus eligible system generation as Excess Generation.
 - c. For any billing period where Eligible System generation is less than consumer's billing period usage and consumer has unused Excess Generation credits, the Company will offset consumer's Billing Period usage using consumer's uncompensated Excess Generation (if available). At the end of each Generation Year, consumer's Excess Generation balance is reset to zero.
2. Volumetric Incentive Rate Payments
 - a. For each Billing Period, the Company will pay the consumer a Volumetric Incentive Payment for Payable Generation not exceeding consumer's Billing Period usage. For any Billing Period where Eligible System generation is less than the consumer's Billing Period usage and consumer has unused Excess Generation credits, the Company will augment consumer's Payable Generation using consumer's uncompensated Excess Generation, up to consumer's Billing Period usage.
 - b. At the end of a Generation Year, any uncompensated Excess Generation credits will be reset to zero, and the Company will donate to the Company's low income assistance program the value of the uncompensated Excess Generation at the applicable average annual avoided cost tariff rate in Schedule 37.
3. Consumer may assign Volumetric Incentive Rate payments to a single Qualifying Assignee. Changes to assignment may be made over the contract term. Payments will be made to the Qualifying Assignee within 45 days from the last day of the consumer's prior billing period. A \$25 setup fee shall be required for payment assignments and any subsequent re-assignments.
4. Unless otherwise assigned, the consumer may request that:
 - a. Payments be paid directly to the consumer within 45 days from the last day of the consumer's prior billing period, while the consumer will continue to receive a standard monthly bill for electricity purchased under the tariff; or
 - b. Payments for energy generated be netted against the consumer's standard monthly bill and the consumer receives or pays the resulting amount.
5. The Company shall own 100 percent of the renewable energy certificates associated with the energy provided by the contracted system.

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Special Conditions (continued)

6. A consumer may transfer its existing contract to another consumer eligible to contract with the Company and residing at the same address where the system is installed.
7. Consumer, if requested, will provide the Company with documentation of consumer's legal right (e.g. through ownership, lease, or irrevocable license) to maintain the Eligible System.
8. Eligible Systems must be installed on the same property as the property where the consumer buys electricity from the Company and must be connected to the consumer load side of the meter.
9. Volumetric Incentive Rate payment will not be made to a consumer or Qualifying Assignee for generation from a solar photovoltaic generating system operational and on-line prior to July 1, 2010.
10. Systems that are uninstalled before the end of the contract term are not eligible for subsequent Volumetric Incentive Rates, other feed-in tariffs, or pilot programs during the remainder of the contract term; and these systems cannot be reinstalled for the purposes of entering a new contract under any solar photovoltaic pilot program, volumetric incentive or other feed-in tariff program in the service territory of any electric company in the State of Oregon during the contract term of the system, except that a system may be uninstalled and reinstalled at another location under the same contract.
11. Capacity of Eligible Systems shall be limited to provide no more than the estimated energy generation equal to 90 percent of the rolling average of the usage at the premises at which the Eligible System will be installed. If this average cannot be determined, the nameplate capacity can be no more than 90 percent of a rolling average of three year's usage by a similarly-situated customer, as determined by the Company.
12. The consumer is responsible for all costs associated with the Eligible System and is also responsible for all costs related to any modifications to the facility that may be required by the Company for purposes of safety and reliability.
13. At its own expense, the Company shall install and own the required metering equipment.
14. Consumers must have an additional, Company-owned meter which measures only energy from the Eligible System. The meter must be accessible and located on the consumer side of the retail meter and the AC side of the inverter. The additional meter does not change the consumer's point of delivery.
15. Installation of an Eligible System shall be consistent with OAR 860-084-0260 and OAR 860-084-340 and shall meet all applicable safety and performance standards established in the Oregon state building code.
16. Prior to interconnection, a consumer who owns an Eligible System must obtain liability insurance. Liability insurance shall be maintained for the term of the contract.
17. Consumer must operate and maintain an Eligible System in compliance with Institute of Electrical and Electronics Engineers standards and in compliance with OAR 860-084-350.
18. Except as provided for in OAR 860-084-340, the consumer must install and maintain a manual disconnect switch that will disconnect the Eligible System from the Company's system. The disconnect switch must be a lockable, load-break switch that plainly indicates whether it is in the open or closed position. The disconnect switch must be readily accessible to the Company at all times and located within ten (10) feet of the Company's meter.

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Special Conditions (continued)

19. The Company may disconnect the consumer's electric service at any time if the Eligible System must be physically disconnected for any reason.
20. The Company shall not be liable directly or indirectly for permitting or continuing to allow an attachment of the Eligible System, or for the acts or omissions of the consumer that cause loss or injury, including death, to any third party.
21. Prior to connecting an Eligible System, an interconnection review may be required in accordance with OAR 860-084-310 or -320.

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