Program update: Open Solicitation

September 17, 2008

The Open Solicitation Program was designed to receive applications for projects using technologies not covered by other programs, to fund innovative projects, and to provide insight on whether and how to launch new, technology-specific programs. As wind, solar, and biomass have moved out of OSP into their own stand-alone programs, the programmatic focus of OSP shifted in 2008 toward building a pipeline of potential hydro projects in urban areas. We accomplished this while remaining open to supporting geothermal projects and the development of emerging technologies. At the same time we completed projects approved in previous years, some of which are solar.

Pre-existing projects

The East Portland Community Center solar project (90 kW) and the Portland Habilitation Center solar project (869 kW) are both expected to be completed before the end of 2008. The ProLogis solar project (1.1 MW in 2008, 2.3 MW in 2009) is expected to begin construction this fall.

The Bugni microhydro project (4.4 kW) started operating in the spring. The Albany hydro project (500 kW) is scheduled for completion this fall. Construction is underway on the Swalley Irrigation District hydro project (750 kW) with completion scheduled for 2009. We approved a 5.1 kW hydro project in the City of West Linn's water system, scheduled to be built in 2009, and the Central Oregon Irrigation District's hydro project (3.3 MW) is scheduled to be completed in 2010.

Municipal and "In-Conduit" Hydro

We conducted an outreach effort to every city in the PGE service territory to educate and assist them in applying for feasibility study funding through the state's Renewable Energy Feasibility Fund (REF Fund). The outreach resulted in five cities submitting applications: Beaverton, Corbett Water District, Oregon City, Sheridan, and Silverton. Results of the application process will be available later this fall. We plan to expand the outreach to Pacific Power communities in 2009.

We are co-funding feasibility studies investigating municipal and irrigator water system resources in four locations: Gresham's Wastewater Treatment Plant, the Tualatin Valley and Crystal Springs Water Districts, and the City of Pendleton. These studies are scheduled to be completed this fall.

We are also funding feasibility studies for several rural applications:

- Three ranches in Wallowa County looking at opportunities within irrigation systems
- Eastern Oregon Power and Light, a project that would restore an old waterwheel and equip it with modern electronic components

Interest in hydro is growing. To more carefully examine the potential in this sector, we commissioned a resource assessment that will describe and quantify the hydro potential in non-stream resources in the PGE and Pacific Power service territories. This analysis is scheduled for completion in December. We are also conducting a GIS assessment of the run-of-river resources that may be available outside of protected areas in Clackamas County.

Geothermal

We provided a consultant to help the Oregon Institute of Technology with two potential projects: a 200 kW project using an existing well and a 1 MW project that would require drilling.

We provided cost-share funding for a feasibility study for the town of Lakeview to look at adding electricity generation to an existing well currently used for heating. As part of our efforts to develop this sector, Energy Trust staff also made a presentation at the May meeting of the Oregon Geothermal Working Group.

Wave power

This spring Energy Trust contracted with a consultant to explore the state of wave project development in Oregon. The consultant found that of the many preliminary permit applications filed to the Federal Energy Regulatory Commission in recent years only five project applications remained open, with only two projects displaying any development progress.

There are several barriers to project development at this time: regulatory uncertainties, lack of federal incentives, lack of technology and project experience, stakeholder concerns about ocean developments, and skittish financial markets. Due to these issues, most potential investors and developers appear to be taking a wait-and-see attitude with regard to the projects currently under development.

OSP staff has determined there are currently no financial roles for Energy Trust to play in moving this market forward, partly due to the issues mentioned above and also due to the fact that the Oregon Wave Energy Trust is set up specifically to provide support to the wave power industry. Staff will continue to monitor market and project developments and should a specific project appear promising, would look into providing project funding.

Outreach

The Open Solicitation Program has also coordinated some of the Renewable Resources Department's outreach.

- We provided cost-share funding to seven rural businesses to help them apply for USDA 9006 renewable power grants for solar projects. All of the applications were successful.
- We co-organized a workshop in March for local governments in the PGE service territory focusing on solar. More than 150 people attended.
- We are planning a workshop October 29 on solar and efficiency for new and existing buildings for governments in all of Energy Trust's utility territories.

Themes for 2009

In 2009, OSP staff will focus on encouraging communities that have conducted feasibility studies to submit project proposals. We will examine the barriers that get in the way and consider options for changing OSP's project application process. We will review the results of our Hydro Resource Assessment and use the information to structure a more targeted outreach effort. We will also determine if hydro should be "spun off" into its own stand-alone program.

We anticipate seven new hydro project applications in 2009 stemming from 12 feasibility studies that have been completed or are underway. We expect applications from Oregon Institute of Technology and the town of Lakeview for small (under 250 kW) geothermal projects; we provided feasibility study funding for both entities. We have also set aside funding for a demonstration project and two to three unanticipated hydro project applications.

To continue to build our project pipeline, we expect to co-fund nine feasibility studies in 2009. In addition, we will expand our initiatives that help customers apply for other sources of project or feasibility study funding (REF Fund, USDA grants). We expect to assist nine communities in applying to the REF Fund for study funding. We will also pilot a series of workshops to assist 60 rural businesses in applying for USDA 9006 project funding.