

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: January 14, 2020

REGULAR _____ CONSENT X EFFECTIVE DATE _____

DATE: January 6, 2020

TO: Public Utility Commission

FROM: Natascha Smith *JPB & NS*

THROUGH: *M* Mike Dougherty and *JPB* JP Batmale

SUBJECT: PACIFIC POWER:
(Docket No. UM 1401)
Large Generator Filing Updates to Comply with Order No. 10-132.

STAFF RECOMMENDATION:

That the Public Utility Commission of Oregon (Commission) waive the large generator interconnection agreement (LGIA) filing requirements and annual report deadline in Order No. 10-132 for the years 2015 through 2018, and accept Pacific Power's LGIA filings and reports for 2015 through 2018 as timely without waiving Pacific Power's continuing obligation to comply with Order No. 10-132. Direct the Company to update the LGIAs during re-negotiation to conform to the approved LGIA adopted as Appendix B to Order No. 10-132.

DISCUSSION:

Issues

1. Whether the Commission should waive LGIA filing requirements and accept Pacific Power's filing of four LGIAs and amendments in December 2019 as timely, without waiving the Company's continuing obligation to comply with Order No. 10-132.
2. Whether the Commission should waive the annual reporting deadline and accept Pacific Power's filing of annual interconnection activity reports for 2015 through 2018 in December 2019 as timely, without waiving the Company's continuing obligation to comply with Order No. 10-132.

3. Whether the Commission should direct Pacific Power to update the three LGIAs filed in December 2019 on re-negotiation with language conforming to the approved LGIA in Order No. 10-132.

Applicable Rule or Law

Under ORS 756.990(2)(c), a public utility is subject to civil penalty for each time that it fails to obey any lawful requirement or order made by the commission.

As part of the investigation into interconnection of PURPA qualifying facilities (QFs), the Commission issued Order No.10-132 in Docket No. UM 1401, in which the Commission establishes standard large generator interconnection procedures (LGIP) and adopts a standard Large Generator Interconnection Agreement (LGIA) with modifications from the FERC standard procedures and agreement.¹

The LGIA adopted in Order No. 10-132 includes additional requirements for utilities to provide information to the Commission.² Article 3.1 of the LGIA requires that transmission providers file a copy of an executed LGIA with the Commission.³ Article 3.2 of the LGIA directs the transmission provider to submit an annual report to the Commission detailing large generator interconnection activity:⁴

The public utility must submit an annual report to the Commission summarizing the public utility's interconnection activities for the previous calendar year. The annual report must be filed by May 30 and must include the following information: (a) The number of complete large generator interconnection applications received; (b) The number of large generator facility interconnections completed; (c) The types of large generator facilities applying for interconnection and the nameplate capacity of the facilities; (d) The interconnection facilities required to accommodate the interconnection of a large generator facility and the estimated costs of these facilities; and (e) the system upgrades required to accommodate the interconnection of a large generator facility and the estimated costs of these upgrades.

Similar information is required to be reported for small generator activity under

¹ In the Matter of Standard Interconnection Procedures and Agreements Adopted for Large Qualifying Facilities, Order No. 10-132, Docket No. UM 1401, April 7, 2010.

² Order No. 10-132, Appendix B.

³ Order No. 10-132, Appendix B, Article 3.1.

⁴ Order No. 10-132, Appendix B, Article 3.2.

OAR 860-082-0065(3).

Analysis

Background

Starting in 2011, Pacific Power has submitted annual reports of its small generator interconnection activities in Docket RE 66, in compliance with OAR 860-082-0065(3). On December 19, 2019, Pacific Power filed amended reports for the years 2015 through 2018 that include reporting on large generator interconnection activity.

On December 19, 2019, Pacific Power filed four LGIAs and amendments thereto, one of which was executed in 2016, two in 2017, and the remainder in 2019.

Pacific Power made the December 2019 filings in RE 66 and UM 1401 after notifying Staff that the Company had identified instances of noncompliance with Order No. 10-132 and was actively taking steps to mitigate the filings that were overdue and ensure future compliance.

Large Generator Interconnection Agreements

Article 3.1 of the LGIA states that the "Transmission Provider shall file this [LGIA] (and any amendment hereto) with the OPUC." Pacific Power filed copies of its four executed LGIAs, with prior amendments, with the Commission on December 6, 2019.⁵

Table 2: Large Generator Interconnection Agreements Entered Into

QF LGIA with:	Date Executed
Orchard Windfarm I, LLC, Orchard Windfarm 2, LLC, Orchard Windfarm 3, LLC, and Orchard Windfarm 4, LLC	May 31, 2016, amendments dated October 7, 2016, January 25, 2019, and November 19, 2019
Skysol, LLC	June 5, 2017
Sparrow Solar, LLC	December 6, 2017
sPower Development Company, LLC	May 13, 2019

Pacific Power has filed the four LGIAs agreements in UM 1401. One of the agreements has already been updated to include the approved language. The Company has communicated its intent to Staff to update the language of the remaining three agreements to conform to the approved-LGIA language for clause 19.1 when the contracts are re-negotiated. Once finalized, Pacific Power will file the amended contracts as required by Order No. 10-132.

⁵ UM 1401. PacifiCorp's Compliance per Order No. 10-132, Qualifying Large Generator Interconnection Agreement.

Remedial Measures to Ensure Future Compliance

Pacific Power has undertaken remedial measures to avoid non-compliance in the future. The Company has updated its Transmission Contract Review Sheet, which has a line item asking the reviewer if a state and/or federal regulatory filing is required. Pacific Power has amended this line to specifically reference the Oregon QF LGIA.

Conclusion

Staff finds it reasonable to accept the late-filed annual reports for the years 2015 through 2018, and the late-filed LGIAs, given the time that passed following issuance of Order 10-132 and the Company's receipt of interconnection requests from large generators, the Company's self-report to Staff of these oversights, and the Company's prompt filings of amended annual reports and LGIAs upon discovery of the issue. Staff supports the Company's efforts to conform the LGIAs to the approved language and recommends the Commission direct the Company to update the agreements with the approved language during re-negotiations.

PROPOSED COMMISSION MOTION:

Waive the LGIA filing requirements and annual report deadline in Order No. 10-132 for the years 2015 through 2018, and accept Pacific Power's LGIA filings and reports for 2015 through 2018 as timely without waiving Pacific Power's continuing obligation to comply with Order No. 10-132. Direct the Company to update the LGIAs during re-negotiation to conform to the approved LGIA adopted as Appendix B to Order No. 10-132.