

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 17, 2016**

REGULAR CONSENT EFFECTIVE DATE May 17, 2016

DATE: May 10, 2016

TO: Public Utility Commission

FROM: Michael Breish *MB*

THROUGH: *J* Jason Eisdorfer and *M* Michael Dougherty

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by Elemental Energy for a waiver of the 12-month solar photovoltaic system installation requirement pursuant to OAR 860-084-0210(1).

STAFF RECOMMENDATION

Staff recommends the Commission grant the request by Elemental Energy, submitted on behalf of its customer Peter Brennan, to waive the 12-month deadline to install the remaining portion of his 10.0 kW solar photovoltaic (SPV) system under Portland General Electric's (PGE) Solar Photovoltaic Pilot Program by an additional 90 days, to August 15, 2016.

ISSUE

Whether Elemental Energy established good cause supporting its request for a waiver of the 12-month capacity reservation pursuant to OAR 860-084-0210(1) for its SPV system.

APPLICABLE LAW

Each project that receives a capacity reservation holds that reservation for 12 months from its reservation start date, so long as a preliminary interconnection application is submitted and approved by the utility within two months of the reservation award date; the deposit fees are paid; the project is installed within 12 months of its reservation start date; or if needed, the project receives a waiver to extend the installation deadline. See OAR 860-084-0210(1) and (2).

OAR 860-084-0210(1) states that “a capacity reservation expires ... if the system has not been installed within twelve months of the reservation start date, unless a waiver is granted under OAR860-084-0000.” OAR 860-084-0210(2) provides that once a capacity reservation expires, the customer must re-apply for a reservation. The evaluation criterion set forth in OAR 860-084-0000(3) for waiver of Division 084 rules is “good cause shown.” The Commission has discretion to determine what constitutes “good cause.”

DISCUSSION AND ANALYSIS

Elemental Energy secured a 10.0 kW reservation on behalf of its customer, Peter Brennan, in May of 2015. According to Elemental Energy, Mr. Brennan’s intention was to install the full 10.0 kW SPV in two phases. The first phase would be installed on Mr. Brennan’s property’s roof, while the second phase would be located on an awning over Mr. Brennan’s porch. Phase 1, 5.7 kW in size, was successfully completed in December 2015 and PGE activated it on January 8, 2016. When Elemental Energy recently contacted PGE regarding completing the installation of Phase 2, PGE told it that the remainder of the 10.0 kW capacity reservation, 4.3 kW, had been forfeited. Elemental Energy requests a waiver of the installation completion date in order to finish Phase 2 as it believes the full capacity is still available to Mr. Brennan.

Staff spoke with a representative of Elemental Energy as well as communicated extensively with PGE, including receiving documents related to Mr. Brennan’s application. In conducting research, Staff determined that upon receiving the interconnection agreement for only the first phase, PGE assumed that was the entirety of the project related to 10.0 kW reservation. In other words, PGE’s contract and interconnection agreement process does not accommodate a two-phase SPV system. As such, PGE subsequently released the capacity when it received what it thought was the final project designated under that specific reservation. Staff has confirmed with the Company that it can accommodate Elemental Energy’s Phase 2 system, which is 4.275 kW. Elemental Energy states that a site inspection has occurred and it is completing the final system design for Phase 2; installation can easily follow.

In analyzing for “good cause,” Staff’s primary considerations were Elemental Energy’s completion of the Phase 1 component of this particular SPV system and the customer’s intention and financing of Phase 2.

Recommendation

Based on this analysis, Staff recommends the waiver request be granted.

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PROPOSED COMMISSION MOTION:

The request by Elemental Energy to waive the 12-month installation requirement for the SPV system under PGE's Solar Photovoltaic Pilot Program be granted, and the deadline be extended until August 15, 2016.

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