

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

REGULAR _____ CONSENT X EFFECTIVE DATE May 17, 2016

DATE: May 10, 2016

TO: Public Utility Commission

FROM: Michael Breish MB

THROUGH: Jason Eisdorfer and Michael Dougherty JE m

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by Benton Electric Solar 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 Benton Electric Solar (Benton Electric) to waive the 12-month deadline to install seven 10.0 kW solar photovoltaic (SPV) system under Portland General Electric's (PGE) Solar Photovoltaic Pilot Program and Pacific Power's Oregon Solar Incentive Program (OSIP) by an additional 6 months, to November 12, 2016.

ISSUE

Whether Benton Electric Solar established good cause supporting its request for a waiver of the 12-month capacity reservation pursuant to OAR 860-084-0210(1) for its seven SPV systems.

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

Benton Electric secured seven 10.0 kW reservations from the May 2015 capacity lottery; five projects are within the PacifiCorp service territory and the remaining two are located within PGE service territory.¹ Staff spoke with a representative to further understand the situation in which Benton Electric finds itself that is preventing the company from installing the SPV systems on time. According to Benton Electric, the labor pool for qualified, reliable electricians in the state is very limited. Furthermore, the supply of electricians who are trained in SPV system installation is even more limited. This situation was already adding pressure to Benton Electric's existing project deadlines, but the award of a major project in Albany has created a major shortage of electricians the firm can utilize.² Benton Electric has assured Staff that upon the completion of two major projects in the summer, the firm's bandwidth will be much freer.

Staff has conferred with both PacifiCorp and PGE regarding the status of the respective projects. Both utilities confirmed to Staff that the projects have met all the requirements to date, including deposits, interconnection agreements and fees. Staff also confirmed the status of each individual project with Benton Electric; all projects have completed site maps, structural engineering plans, and electrical one line diagrams. Permits are being prepared for all projects, with some already submitted. Half of the projects have solar modules secured. Staff feels comfortable with the status of the SPV projects that indicate intention to successfully install and energize.

In analyzing for "good cause," Staff's primary considerations were Benton Electric's labor situation, status of projects and history of successfully completed SPV projects.

Recommendation

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

¹ The project numbers for the PacifiCorp projects are: 6039389, 6039388, 6039448, 6039141 and 6039181. The project numbers for the PGE projects are: G3R1B2 and R9R7F0.

² Benton Electric Solar was awarded the electrical contract for South Albany High School's new gymnasium, which has six of the firm's electricians.

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PROPOSED COMMISSION MOTION:

The request by Benton Electric to waive the 12-month installation requirement for the seven SPV systems under PGE's Solar Photovoltaic Pilot Program Pacific Power's OSIP be granted, and the deadline be extended until August 15, 2016.

Ca15-UM 1538 Benton Electric VIR waiver request