

ITEM NO. CA11

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: January 28, 2014

REGULAR _____ CONSENT X EFFECTIVE DATE January 28, 2015

DATE: January 20, 2015

TO: Public Utility Commission

FROM: Michael Breish *MB*

THROUGH: Jason Eisdorfer *E* and Aster Adams *AA*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by RS Energy, LLC, on behalf of their customer Ed Staub, 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 RS Energy, LLC (RS Energy) to waive the 12-month deadline to install one solar photovoltaic (SPV) system under Pacific Power's Oregon Solar Incentive Program (OSIP) by an additional six months, to June 15, 2015.

DISCUSSION:

Issue

RS Energy requests an extension for three SPV systems they are installing on behalf of their customer, Ed Staub, who is located in Klamath County. The projects have reserved spots in Pacific Power's OSIP. The permitting is being processed, the interconnection agreement has been received and approved by Pacific Power and the equipment is on purchase order. Due to a financing issue that arose from a difficult crop growing season, the project was not going to be completed by the deadline of October 15, 2014. The Commission received this request on November 13, 2014.

Rule

The applicable rule is OAR 860-084-0210(1), which 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 OAR 860-084-0000." The evaluation criteria set forth in OAR 860-084-0000(3) for waiver of Division 84 rules is "good cause shown." The Commission has discretion to determine what constitutes "good cause."

Analysis and Recommendation

After receiving the reservation, Mr. Staub and RS Energy began siting the three planned SVPs as well as working on the necessary documentation and permitting. Due to the complexity of planning three separate projects, the entire process lasted into early Spring 2014. Mr. Staub, who is taking care of financing himself, heavily depends on the spring and summer crop growing season for income. Because of water issues farmers faced this past growing season, Mr. Staub had to delay the three SVP projects until he was sure he could comfortably proceed. After confirming he had a profitable crop and positive cash flow, he decided to proceed with the three SPV projects. Unfortunately, this decision arrived too close to the October 2014 installation deadline.

Staff was concerned that the request was filed after the project completion deadline. However, Staff considered the significant progress in completing the installation prerequisites, i.e., prepared permitting, submitted interconnection agreement and parts on purchase order. For this reason, Staff believes that the customer has shown good cause to waive the 12-month deadline to install the SPV system.

Based on this analysis, Staff recommends the extension be granted.

PROPOSED COMMISSION MOTION:

The request by RS Energy to waive the 12-month installation requirement for the SPV system under Pacific Power's OSIP be granted, and the deadline extended to June 15, 2015.