

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: *I* Jason Eisdorfer and *AA* Aster Adams

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by RS Energy, LLC, on behalf of their customer Tony Bair, 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 an SPV system they are installing on behalf of their customer, Tony Bair, who is located in Klamath County. The project has a reserved spot 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 growing season and a grant that fell through, the project was not going to be completed by the deadline of October 15, 2014. The Commission received this request on November 5, 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

The customer, Mr. Bair, explained to Staff that he was first relying on an individual to help him respond to a grant that would have placed him in a good financial position. Unfortunately, this arrangement fell through and Mr. Bair decided that he would forego the grant and instead finance the project himself. However, the timing of the failure of the grant coincided with this past year's summer growing season, which Mr. Bair's farm heavily relies on for income. Because of possible water constraints, Mr. Bair wanted to see if his crop would provide sufficient funds for this project before continuing with his SPV project. After determining he had a profitable crop and positive cash flow, he was ready to proceed, but at this point the deadline was too close.

Staff was concerned that the request was filed after the project completion deadline. However, given the significant progress in completing the interconnection agreement, preparing and submitting all the required permits and placing the SPV system on purchase order, 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.