

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

REGULAR CONSENT _____ EFFECTIVE DATE January 28, 2015

DATE: January 20, 2015

TO: Public Utility Commission

FROM: Michael Breish *MB*

THROUGH: *J* 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 Ryan Hartman, 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 deny the request by RS Energy, LLC (RS Energy) to waive the 12-month deadline to install a solar photovoltaic (SPV) system under Pacific Power's Oregon Solar Incentive Program (OSIP) by an additional eight months, to August 15, 2015.

DISCUSSION:

Issue

RS Energy requests an extension for an SPV system they are installing on behalf of their customer, Ryan Hartman, who is located in Klamath County. The project has a reserved spot in Pacific Power's OSIP. Though the permitting is prepared and the parts on purchase order, financing is currently not available and plans moving forward do not instill confidence that the project will successfully be completed. The current situation and provided explanation do not provide "good cause" to support a waiver. 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."

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The Commission has discretion to determine what constitutes "good cause."

Analysis and Recommendation

Mr. Hartman has been pursuing a US Department of Agriculture Rural Energy for America (REAP) grant since receiving his reservation. He did not receive one in the summer 2014 round, which was the first one he applied to. At the time of the filing, he had applied to receive one in the November 2014 round. Staff confirmed with Mr. Hartman that he also did not receive a REAP grant during that round and was planning to apply to the April 2015 round as indicated in the filing. Without securing a REAP grant, the project is unable to proceed according to Mr. Hartman and RS Energy. Staff believes that the uncertainty for this project due to the lack of financing does not support "good cause."

OAR 860-084-000(3) allows for a waiver of the 12-month solar photovoltaic system installation requirement for good cause. Staff has no guarantee that Mr. Hartman's third application for a REAP grant will be approved. Further, Staff is concerned that granting the waiver request may negatively affect the chances for another SPV project to be completed in a timely manner by another applicant by March 31, 2016 should Mr. Hartman fail to receive a REAP grant.¹

On balance, staff concludes that the factors against granting the waiver outweigh the factors in favor of allowing it, and recommend denial of RS Energy's request. Based on this analysis, Staff recommends the extension be denied.

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 denied.

REG4-UM 1538 RS Energy waiver request

¹ HB 2893, §1(12)(a).