

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 7, 2016

REGULAR _____ CONSENT X EFFECTIVE DATE June 7, 2016

DATE: May 31, 2016

TO: Public Utility Commission

FROM: Michael Breish MB

THROUGH: Jason Eisdorfer I and Michael Dougherty M

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by East Burnside Community Service Center, LLC 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 East Burnside Community Service Center, LLC (EBCSC) to waive the 12-month deadline to install an approximately-sized 10.0kW solar photovoltaic (SPV) system under Portland General Electric's (PGE) Solar Photovoltaic Pilot Program by an additional 10.5 months, to March 31, 2017.

DISCUSSION:

Issue

Whether EBCSC established good cause supporting its request for a waiver of the 12-month capacity reservation pursuant to OAR 860-084-0210(1) for its planned 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

EBCSC secured a 10.0 kW reservation from the May 2015 capacity lottery and since then has been actively pursuing the various channels necessary to complete the project in Portland. Staff spoke with Ralph Bloemers, a representative of EBCSC, to further understand the situation in which EBCSC finds itself that is preventing the company from installing the SPV system on time. According to EBCSC, the fact that the SPV system will be installed on a new building has resulted in unexpected obstacles. Coordinating the multiple stakeholders involved in design, supply and construction, some of whom are conducting their respective work pro bono, as well as navigating Portland regulations have resulted in missed deadlines and delays.

Additionally, a re-zoning and related permitting issue has currently delayed the beginning of construction of the building. EBCSC explained that development was originally intended to be categorized as “conditional use.” However, Portland city planners recommended the development be categorized as “residential” in anticipation of a city-wide re-zoning effort soon to commence. To comply with the re-zone, EBCSC had to secure additional support and compliance from neighborhood entities. The re-zoning process with the city took a number of months and now the permitting has subsequently taken an additional two months; the permit is expected imminently.

Staff has conferred with PGE regarding the status of the respective project. PGE confirmed to Staff that the project has met all the requirements to date, including deposits, interconnection agreements, and fees. EBCSC generously provided a detailed list of all reasons supporting good cause for the waiver. Furthermore, EBCSC provided a number of attachments that demonstrate the developers' commitment to the project and the ability for the contractors to complete the project on the requested timeline.

In analyzing for “good cause,” Staff’s primary considerations were EBCSC’s ongoing permitting process, completed design, transparency of the situation, and the proposed completion schedule.

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Conclusion

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

PROPOSED COMMISSION MOTION:

The request by EBCSC to waive the 12-month installation requirement for its SPV system under PGE's Solar Photovoltaic Pilot Program be granted, and the deadline be extended until March 31, 2017.

Ca14-UM 1538 EBCSC VIR waiver request