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December 5, 2017

**VIA ELECTRONIC FILING**

Attention: Filing Center  
Public Utility Commission of Oregon  
P.O. Box 1088  
Salem, Oregon 97308-1088

**Re: Docket UM 1906: Portland General Electric Company's Answer to Pacific Northwest Solar LLC's Complaint**

Attention Filing Center:

Attached for filing in the above-captioned docket is a copy of Portland General Electric Company's Answer to Pacific Northwest Solar, LLC's Complaint.

Please contact this office with any questions.

Very truly yours,

A handwritten signature in black ink that reads "Alisha Till". The signature is written in a cursive, flowing style.

Alisha Till  
Administrative Assistant

Attachment

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
UM 1906**

Pacific Northwest Solar, LLC,  
Complainant,

v.

Portland General Electric Company,  
Defendant

**PORTLAND GENERAL ELECTRIC  
COMPANY’S ANSWER TO THE  
COMPLAINT**

1

**I. Introduction**

2

On October 9, 2017, Pacific Northwest Solar, LLC (PNW Solar) filed a Complaint with the Public Utility Commission of Oregon (Commission) against Portland General Electric Company (PGE or Company) regarding PNW Solar’s Starlight Project qualifying facility (QF). PNW Solar alleges that PGE has failed to comply with the Commission’s rules and PGE’s study deadlines during the process of reviewing PNW Solar’s interconnection application and negotiating an interconnection agreement. Accordingly, PNW Solar asks the Commission (among other requested relief) to confirm that PGE failed to meet applicable deadlines, to require PGE to timely complete the interconnection process, and to require an extension of the 15-year fixed price guarantee under PNW Solar’s Power Purchase Agreement (PPA).

12

Until recently, PGE had received very few QF interconnection applications, but PGE currently is experiencing an unprecedented amount of QF activity and associated interconnection requests. PGE acknowledges that its interconnection personnel have been challenged by this substantial increase in interconnection applications. PGE recognizes that

1 it may be responsible for some delays in the interconnection process as a result. However,  
2 PGE disputes (a) the length of the delays asserted by PNW Solar; (b) whether the delays  
3 constitute violations of the Commission's rules; (c) whether and to what extent the alleged  
4 delays were caused by PGE; and (d) whether any delays in the interconnection process  
5 actually have impacted the Starlight Project's online date. Indeed, whether anything that has  
6 occurred so far in the study phase of the Starlight Project will cause a delay in its  
7 Commercial Operation Date is speculative at this time given the amount of time and number  
8 of contingencies that must be satisfied between now and the Commercial Operation Date in  
9 the PPA, which PGE already has extended by at least two years. PGE remains committed to  
10 timely completing the interconnection process for the Starlight Project. For these reasons,  
11 PGE respectfully requests that the Commission decline to award PNW Solar's requested  
12 relief and dismiss the Complaint.

## 13 **II. Answer**

14 PGE hereby answers PNW Solar's Complaint. PGE denies any allegation not  
15 specifically admitted herein and reserves the right to supplement this Answer if PNW Solar  
16 amends its Complaint. With respect to the particular paragraphs of the Complaint, PGE  
17 answers as follows:

## 18 **III. Identity of Parties**

- 19 1. PGE admits the allegations in paragraph 1.
- 20 2. PGE has insufficient information or knowledge to admit or deny the truth of the  
21 allegations in paragraph 2 of the Complaint, which relate to the identity and  
22 corporate structure of PNW Solar, and therefore denies the same.

1 **IV. Applicable Statutes and Regulations**

2 3. Paragraph 3 contains statements and conclusions of law, which require no response.

3 4. Paragraph 4 contains statements and conclusions of law, which require no response.

4 **V. Jurisdiction**

5 5. Paragraph 5 contains statements and conclusions of law, which require no response.

6 6. Paragraph 6 contains statements and conclusions of law, which require no response.

7 7. Paragraph 7 contains statements and conclusions of law, which require no response.

8 PGE admits that it is a public utility, as defined in ORS 758.505(7).

9 **VI. Factual Background**

10 8. PGE admits that PNW Solar has requested that PGE study the interconnection of a  
11 2.2 MW solar generation facility located in Yamhill County, OR.

12 9. PGE admits that PNW Solar has applied to interconnect the Starlight Project to  
13 PGE.

14 10. PGE admits the allegations in paragraph 10.

15 11. PGE admits the allegations in paragraph 11.

16 12. PGE admits the allegations in paragraph 12.

17 13. PGE admits the allegations in paragraph 13.

18 14. PGE admits the allegations in paragraph 14.

19 15. PGE admits that, on July 18, 2016, PNW Solar emailed PGE a Feasibility Study  
20 Agreement that it had signed and dated July 18, 2016. PGE has insufficient  
21 information or knowledge to admit or deny the truth of the allegations in paragraph  
22 15 of the Complaint regarding PNW Solar mailing a check, and therefore denies the  
23 same.

- 1 16. PGE admits the allegations in paragraph 16.
- 2 17. PGE admits the allegations in paragraph 17.
- 3 18. PGE denies the allegations in paragraph 18. On August 18, 2016, PGE emailed  
4 PNW Solar regarding misrouting of checks, but the email made no mention of the  
5 Feasibility Study Agreement.
- 6 19. PGE denies the characterization of Section 7 of the Feasibility Study Agreement in  
7 paragraph 19 of the Complaint. Section 7 states in full, “The Feasibility Study shall  
8 be completed and the results shall be transmitted to Applicant within thirty (30)  
9 calendar days after this Agreement is signed by the Parties unless an alternate  
10 schedule has been agreed to by parties. Attachment B shall be incorporated as part  
11 of this Agreement.” Attachment B to the Feasibility Study Agreement states, “PGE  
12 will need at least 60 days to complete the study from time we receive both the  
13 signed study agreement and the initial study deposit of \$1000.00.” PGE denies that  
14 it stated the study would be delivered by October 15, 2016.
- 15 20. PGE has insufficient information or knowledge to admit or deny the truth of the  
16 allegations in paragraph 20 of the Complaint, and therefore denies the same.
- 17 21. PGE admits that it emailed PNW Solar the results of the Feasibility Study on  
18 November 1, 2016, but denies the remainder of the allegations in paragraph 21 of  
19 the Complaint.
- 20 22. PGE admits that it emailed PNW Solar the results of the Feasibility Study on  
21 November 1, 2016, but denies the remainder of the allegations in paragraph 24 of  
22 the Complaint.
- 23 23. PGE admits the allegations in paragraph 23.

- 1        24. PGE admits that the System Impact Study Agreement indicates that PNW Solar  
2                signed and dated February 17, 2017. PGE has insufficient information or  
3                knowledge to admit or deny the truth of the allegations in paragraph 24 of the  
4                Complaint regarding when PNW Solar mailed the Agreement and the deposit, and  
5                therefore denies the same.
- 6        25. PGE admits the allegations in paragraph 25.
- 7        26. PGE has insufficient information or knowledge to admit or deny the truth of the  
8                allegations in paragraph 26 of the Complaint, and therefore denies the same.
- 9        27. PGE admits the allegations in paragraph 27.
- 10       28. PGE admits the allegations in paragraph 28.
- 11       29. PGE admits that the Facilities Study Agreement indicates that PNW Solar signed  
12                and dated it June 13, 2017. PGE has insufficient information or knowledge to  
13                admit or deny the truth of the allegations in paragraph 29 of the Complaint  
14                regarding PNW Solar mailing the Agreement, and therefore denies the same. PGE  
15                admits that it confirmed it had received the Agreement on June 21, 2017.
- 16       30. PGE admits the allegations in paragraph 30.
- 17       31. PGE admits the allegations in paragraph 31.
- 18       32. PGE admits the allegations in paragraph 32.
- 19       33. PGE has insufficient information or knowledge to admit or deny the truth of the  
20                allegations in paragraph 33 of the Complaint, and therefore denies the same. The  
21                Facilities Study is complete, and PGE provided the results to PNW Solar on  
22                October 27, 2017.

- 1 34. PGE admits the allegations in paragraph 34. PGE provided the results of the  
2 Facilities Study to PNW Solar on October 27, 2017.
- 3 35. PGE denies the allegations in paragraph 35.
- 4 36. PGE admits that PNW Solar asked to extend the dates in Sections 2.2.1 and 2.2.2 of  
5 the PPA by one year. PNW Solar’s PPA has been amended to extend the requested  
6 dates by at least two years.
- 7 37. PGE admits that, on June 23, 2017, PNW Solar sent a letter to PGE that was  
8 incorrectly dated May 8, 2017. PGE denies that the letter explained how delays in  
9 the interconnection process had harmed PNW Solar.
- 10 38. PGE admits the allegations in paragraph 38.
- 11 39. PGE admits that PGE’s Feasibility Study Agreement and System Impact Study  
12 Agreement submitted to the Commission in Docket No. AR 521 state that the  
13 studies will be completed “within thirty (30) calendar days after this Agreement is  
14 signed by the Parties unless an alternate schedule has been agreed to by parties.”  
15 PGE denies that its Facilities Study Agreement provides a 30-day timeline in all  
16 situations. Rather, the Facilities Study Agreement provides that the Facilities Study  
17 will be completed within 30 calendar days “[i]n cases where no System Upgrade or  
18 Interconnection Facilities is required.”
- 19 40. PGE admits the allegations in paragraph 40.
- 20 41. PGE admits the allegations in paragraph 41. Although PGE always has maintained  
21 a QF interconnection queue, ordered by the date on which completed applications  
22 and application fees were received, pursuant to OAR 860-082-0015(29), PGE did

1 not begin assigning queue numbers to keep track of each applicant's queue position  
2 until January 2017.

3 42. PGE denies the allegations in paragraph 42. Starlight was assigned a queue  
4 position when its application was complete and application fees received, pursuant  
5 to OAR 860-082-0015(29). Starlight was assigned a queue number in or around  
6 January 2017.

## 7 **VII. Legal Claims**

### 8 **Complainant's First Claim for Relief**

9 43. In response to paragraph 43 of Complainant's First Claim for Relief, PGE refers to  
10 and incorporates herein all the preceding paragraphs.

11 44. The allegations in paragraph 44 are legal conclusions and require no response.  
12 Therefore, PGE denies the same.

13 45. The allegations in paragraph 45 are legal conclusions and require no response.  
14 Therefore, PGE denies the same.

15 46. The allegations in paragraph 46 are legal conclusions and require no response.  
16 Therefore, PGE denies the same.

17 47. The allegations in paragraph 47 are legal conclusions and require no response.  
18 Therefore, PGE denies the same.

19 48. The allegations in paragraph 48 are legal conclusions and require no response.  
20 Therefore, PGE denies the same.

21 49. The allegations in paragraph 49 are legal conclusions and require no response.  
22 Therefore, PGE denies the same.



1       50. The allegations in paragraph 50 are legal conclusions and require no response.  
2             Therefore, PGE denies the same.

3       51. The allegations in paragraph 51 are legal conclusions and require no response.  
4             Therefore, PGE denies the same.

5       52. The allegations in paragraph 52 are legal conclusions and require no response.  
6             Therefore, PGE denies the same.

7       53. The allegations in paragraph 53 are legal conclusions and require no response.  
8             Therefore, PGE denies the same.

9       54. The allegations in paragraph 54 are legal conclusions and require no response.  
10            Therefore, PGE denies the same.

11       55. The allegations in paragraph 55 are legal conclusions and require no response.  
12            Therefore, PGE denies the same.

13       56. The allegations in paragraph 56 are legal conclusions and require no response.  
14            Therefore, PGE denies the same.

15       57. The allegations in paragraph 57 are legal conclusions and require no response.  
16            Therefore, PGE denies the same.

17       58. The allegations in paragraph 58 are legal conclusions and require no response.  
18            Therefore, PGE denies the same.

19       59. The allegations in paragraph 59 are legal conclusions and require no response.  
20            Therefore, PGE denies the same.

21       60. The allegations in paragraph 60 are legal conclusions and require no response.  
22            Therefore, PGE denies the same.

1 61. The allegations in paragraph 61 are legal conclusions and require no response.  
2 Therefore, PGE denies the same.

3 62. The allegations in paragraph 62 are legal conclusions and require no response.  
4 Therefore, PGE denies the same.

5 63. The allegations in paragraph 63 are legal conclusions and require no response.  
6 Therefore, PGE denies the same.

7 64. The allegations in paragraph 64 are legal conclusions and require no response.  
8 Therefore, PGE denies the same. PGE provided the Facilities Study results on  
9 October 27, 2017.

10 65. The allegations in paragraph 65 are legal conclusions and require no response.  
11 Therefore, PGE denies the same.

12 **Complainant's Second Claim for Relief**

13 66. In response to paragraph 66 of Complainant's Second Claim for Relief, PGE refers  
14 to and incorporates herein all the preceding paragraphs.

15 67. The allegations in paragraph 67 are legal conclusions and require no response.  
16 Therefore, PGE denies the same.

17 68. The allegations in paragraph 68 are legal conclusions and require no response.  
18 Therefore, PGE denies the same.

19 69. The allegations in paragraph 69 are legal conclusions and require no response.  
20 Therefore, PGE denies the same.

21 **Complainant's Third Claim for Relief**

22 70. In response to paragraph 70 of Complainant's Third Claim for Relief, PGE refers to  
23 and incorporates herein all the preceding paragraphs.

1 71. The allegations in paragraph 71 are legal conclusions and require no response.

2 Therefore, PGE denies the same.

3 72. The allegations in paragraph 72 are legal conclusions and require no response.

4 Therefore, PGE denies the same.

5 73. The allegations in paragraph 73 are legal conclusions and require no response.

6 Therefore, PGE denies the same.

7 74. The allegations in paragraph 74 are legal conclusions and require no response.

8 Therefore, PGE denies the same.

9 75. The allegations in paragraph 75 are legal conclusions and require no response.

10 Therefore, PGE denies the same.

11 76. The allegations in paragraph 76 are legal conclusions and require no response.

12 Therefore, PGE denies the same.

13 77. The allegations in paragraph 77 are legal conclusions and require no response.

14 Therefore, PGE denies the same.

15 **Complainant's Fourth Claim for Relief**

16 78. In response to paragraph 78 of Complainant's Fourth Claim for Relief, PGE refers  
17 to and incorporates herein all the preceding paragraphs.

18 79. PGE admits the allegations in paragraph 79.

19 80. PGE admits the allegations in paragraph 80.

20 81. The allegations in paragraph 81 are legal conclusions and require no response.

21 Therefore, PGE denies the same.

22 82. The allegations in paragraph 82 are legal conclusions and require no response.

23 Therefore, PGE denies the same.

1 83. The allegations in paragraph 83 are legal conclusions and require no response.  
2 Therefore, PGE denies the same.

3 **VIII. PGE's Defenses**

4 84. PNW Solar failed to timely provide the Feasibility Study deposit and disputed that  
5 such a deposit was required. PNW Solar's actions delayed the initiation of the  
6 Feasibility Study.

7 85. After receiving the results of the Feasibility Study, PNW Solar asked PGE a  
8 number of questions about the interconnection requirements for different project  
9 sizes, and ultimately asked PGE to change the project size being studied. PNW  
10 Solar's actions delayed the provision of the System Impact Study Agreement.

11 86. When PGE provided PNW Solar with the results of the System Impact Study on  
12 April 3, 2017, PGE stated that it would provide the Facilities Study Agreement  
13 "once PNW Solar was comfortable with the System Impact Study." PNW Solar did  
14 not respond or request the Facilities Study Agreement until June 2, 2017. PNW  
15 Solar's actions delayed the provision of the Facilities Study Agreement.

16 87. The Commission's interconnection rules require only that PGE's study agreements  
17 contain a reasonable schedule for completion of the study and that PGE make  
18 reasonable, good-faith efforts to follow the schedule; the rules do not contemplate  
19 that every departure from a study's estimated schedule constitutes a violation of the  
20 rules. PGE's interconnection personnel and engineers made reasonable, good faith  
21 efforts to accurately estimate the time required to complete the Feasibility, System  
22 Impact, and Facilities Studies and to adhere to those estimates in completing the  
23 Studies, in light of the rapidly increasing number of interconnection requests.

1 PGE’s interconnection personnel and engineers have continued to refine their study  
2 estimates and procedures as the number of QF interconnection requests have  
3 increased.

4 88. PGE always has maintained a QF interconnection queue, ordered by the date on  
5 which completed applications and application fees were received, pursuant to OAR  
6 860-082-0015(29). Because PGE previously received very few QF interconnection  
7 applications, it was not necessary for PGE to assign queue numbers to keep track of  
8 each applicant’s queue position. After the volume of applications increased, PGE  
9 began assigning queue numbers in January 2017.

10 89. Other factors unrelated to the interconnection process may have caused or may  
11 result in delay to the date on which the Starlight Project ultimately comes online.  
12 PGE should not be held responsible for any delays that occurred in the  
13 interconnection process if such delays do not actually affect the date on which the  
14 Starlight Project comes online.

15 90. PGE already has amended PNW Solar’s PPA to extend the date for initial deliveries  
16 of Net Output and the Commercial Operation Date by at least two years. .

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1 **IX. Prayer for Relief**

2 PGE respectfully requests that the Commission deny PNW Solar's requested relief  
3 and dismiss the Complaint.

Dated: December 5, 2017

**MCDOWELL RACKNER GIBSON PC**



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