



ALISHA TILL
Direct (503) 290-3628
alisha@mrg-law.com

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 1907: 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,

Alisha Till
Administrative Assistant

Attachment

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1907

Pacific Northwest Solar, LLC,
Complainant,

v.

Portland General Electric Company,
Defendant

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

I. Introduction

1
2 On October 9, 2017, Pacific Northwest Solar, LLC (PNW Solar) filed a Complaint
3 with the Public Utility Commission of Oregon (Commission) against Portland General
4 Electric Company (PGE or Company) regarding PNW Solar's Stringtown Project qualifying
5 facility (QF). PNW Solar alleges that PGE has failed to comply with the Commission's rules
6 and PGE's study deadlines during the process of reviewing PNW Solar's interconnection
7 application and negotiating an interconnection agreement. Accordingly, PNW Solar asks the
8 Commission (among other requested relief) to confirm that PGE failed to meet applicable
9 deadlines, to require PGE to timely complete the interconnection process, and to require an
10 extension of the 15-year fixed price guarantee under PNW Solar's Power Purchase
11 Agreement (PPA).

12 Until recently, PGE had received very few QF interconnection applications, but PGE
13 currently is experiencing an unprecedented amount of QF activity and associated
14 interconnection requests. PGE acknowledges that its interconnection personnel have been
15 challenged by this substantial increase in interconnection applications. PGE recognizes that
16 it may be responsible for some delays in the interconnection process as a result. However,

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

12 **II. Answer**

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

17 **III. Identity of Parties**

- 18 1. PGE admits the allegations in paragraph 1.
- 19 2. PGE has insufficient information or knowledge to admit or deny the truth of the
20 allegations in paragraph 2 of the Complaint, which relate to the identity and
21 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 2.3 MW solar generation facility located in Yamhill County, OR.

12 9. PGE admits that PNW Solar has applied to interconnect the Stringtown 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 admits the allegations in paragraph 19.
- 7 20. PGE admits the allegations in paragraph 20.
- 8 21. PGE admits the allegations in paragraph 21.
- 9 22. PGE denies the allegations in paragraph 22. PGE and PNW Solar held a call on
10 January 6, 2017, to discuss the PNW Solar projects.
- 11 23. PGE admits the allegations in paragraph 23. PGE gave PNW Solar the option of
12 conducting a Feasibility Study or proceeding directly to the System Impact Study.
- 13 24. PGE admits that it provided PNW Solar with an executable System Impact Study
14 Agreement on March 9, 2017. PGE denies the remainder of the allegations in
15 paragraph 24. After PGE gave PNW Solar the option to proceed directly to the
16 System Impact Study, PNW Solar requested to change the size of the Stringtown
17 Project. PGE then asked PNW Solar to update its interconnection application,
18 which PNW Solar did on February 21, 2017.
- 19 25. PGE admits that, on March 10, 2017, PNW Solar emailed PGE the System Impact
20 Study Agreement, which indicates that PNW Solar signed and dated March 10,
21 2017. PGE has insufficient information or knowledge to admit or deny the truth of
22 the allegations in paragraph 25 of the Complaint regarding when PNW Solar mailed
23 the Agreement and the deposit, and therefore denies the same.

- 1 26. PGE admits the allegations in paragraph 26.
- 2 27. PGE has insufficient information or knowledge to admit or deny the truth of the
3 allegations in paragraph 27 of the Complaint, and therefore denies the same.
- 4 28. PGE admits the allegations in paragraph 28.
- 5 29. PGE admits the allegations in paragraph 29.
- 6 30. PGE admits that the Facilities Study Agreement indicates that PNW Solar signed
7 and dated it June 13, 2017. PGE has insufficient information or knowledge to
8 admit or deny the truth of the allegations in paragraph 30 of the Complaint
9 regarding PNW Solar mailing the Agreement, and therefore denies the same. PGE
10 admits that it confirmed it had received the Agreement on June 21, 2017.
- 11 31. PGE admits the allegations in paragraph 31.
- 12 32. PGE admits the allegations in paragraph 32.
- 13 33. PGE admits the allegations in paragraph 33.
- 14 34. PGE has insufficient information or knowledge to admit or deny the truth of the
15 allegations in paragraph 34 of the Complaint, and therefore denies the same. The
16 Facilities Study is complete, and PGE provided the results to PNW Solar on
17 November 30, 2017.
- 18 35. PGE admits the allegations in paragraph 35. PGE provided the results of the
19 Facilities Study to PNW Solar on November 30, 2017.
- 20 36. PGE denies the allegations in paragraph 36.
- 21 37. PGE admits that PNW Solar asked to extend the dates in Sections 2.2.1 and 2.2.2 of
22 the PPA by one year. PNW Solar's PPA has been amended to extend the requested
23 dates by at least two years.

1 38. PGE admits that, on June 23, 2017, PNW Solar sent a letter to PGE that was
2 incorrectly dated May 8, 2017. PGE denies that the letter explained how delays in
3 the interconnection process had harmed PNW Solar.

4 39. PGE admits the allegations in paragraph 39.

5 40. PGE admits that PGE’s Feasibility Study Agreement and System Impact Study
6 Agreement submitted to the Commission in Docket No. AR 521 state that the
7 studies will be completed “within thirty (30) calendar days after this Agreement is
8 signed by the Parties unless an alternate schedule has been agreed to by parties.”
9 PGE denies that its Facilities Study Agreement provides a 30-day timeline in all
10 situations. Rather, the Facilities Study Agreement provides that the Facilities Study
11 will be completed within 30 calendar days “[i]n cases where no System Upgrade or
12 Interconnection Facilities is required.”

13 41. PGE admits the allegations in paragraph 41.

14 42. PGE admits the allegations in paragraph 42. Although PGE always has maintained
15 a QF interconnection queue, ordered by the date on which completed applications
16 and application fees were received, pursuant to OAR 860-082-0015(29), PGE did
17 not begin assigning queue numbers to keep track of each applicant’s queue position
18 until January 2017.

19 43. PGE denies the allegations in paragraph 43. Stringtown was assigned a queue
20 position when its application was complete and application fees received, pursuant
21 to OAR 860-082-0015(29). Stringtown was assigned a queue number in or around
22 January 2017.

1 **VII. Legal Claims**

2 **Complainant's First Claim for Relief**

3 44. In response to paragraph 44 of Complainant's First Claim for Relief, PGE refers to
4 and incorporates herein all the preceding paragraphs.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21 64. The allegations in paragraph 64 are legal conclusions and require no response.
22 Therefore, PGE denies the same. PGE provided the Facilities Study results on
23 November 30, 2017.

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

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

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

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

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

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

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

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

15 71. The allegations in paragraph 71 are legal conclusions and require no response.
16 Therefore, PGE denies the same.

17 72. The allegations in paragraph 72 are legal conclusions and require no response.
18 Therefore, PGE denies the same.

19 73. The allegations in paragraph 73 are legal conclusions and require no response.
20 Therefore, PGE denies the same.

21 74. The allegations in paragraph 74 are legal conclusions and require no response.
22 Therefore, PGE denies the same.

Complainant's Fourth Claim for Relief

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- 75. In response to paragraph 75 of Complainant's Fourth Claim for Relief, PGE refers to and incorporates herein all the preceding paragraphs.
- 76. PGE admits the allegations in paragraph 76.
- 77. PGE admits the allegations in paragraph 77.
- 78. The allegations in paragraph 78 are legal conclusions and require no response. Therefore, PGE denies the same.
- 79. The allegations in paragraph 79 are legal conclusions and require no response. Therefore, PGE denies the same.
- 80. The allegations in paragraph 80 are legal conclusions and require no response. Therefore, PGE denies the same.

VIII. PGE's Defenses

- 81. PNW Solar failed to timely provide the Feasibility Study deposit and disputed that such a deposit was required during the first Stringtown Project interconnection application, which was subsequently withdrawn. PNW Solar's actions delayed the initiation of the Feasibility Study during the first Stringtown Project interconnection application, which was subsequently withdrawn.
- 82. PGE should not be held responsible for any delays to PNW Solar's first Stringtown Project interconnection application, because PNW Solar withdrew that application and later filed a new application.
- 83. For PNW Solar's second Stringtown Project interconnection application, PGE offered PNW Solar the option of moving directly to the System Impact Study or beginning with a Feasibility Study. PNW Solar elected to begin with the System

1 Impact Study, but before PGE provided the System Impact Study Agreement, PNW
2 Solar requested to change the project's capacity. PGE requested that PNW Solar
3 update its interconnection application to reflect the new project capacity, which
4 PNW Solar did on February 21, 2017. PNW Solar's actions delayed the provision
5 of the System Impact Study Agreement.

6 84. After receiving the System Impact Study results, PNW Solar corresponded with
7 PGE to ask questions regarding the study results and the interconnection
8 requirements, before requesting the Facilities Study Agreement on June 2, 2017.
9 PNW Solar's actions delayed the provision of the Facilities Study Agreement.

10 85. The Commission's interconnection rules require only that PGE's study agreements
11 contain a reasonable schedule for completion of the study and that PGE make
12 reasonable, good-faith efforts to follow the schedule; the rules do not contemplate
13 that every departure from a study's estimated schedule constitutes a violation of the
14 rules. PGE's interconnection personnel and engineers made reasonable, good faith
15 efforts to accurately estimate the time required to complete the Feasibility, System
16 Impact, and Facilities Studies and to adhere to those estimates in completing the
17 Studies, in light of the rapidly increasing number of interconnection requests.
18 PGE's interconnection personnel and engineers have continued to refine their study
19 estimates and procedures as the number of QF interconnection requests have
20 increased.

21 86. PGE always has maintained a QF interconnection queue, ordered by the date on
22 which completed applications and application fees were received, pursuant to OAR
23 860-082-0015(29). Because PGE previously received very few QF interconnection

1 applications, it was not necessary for PGE to assign queue numbers to keep track of
2 each applicant's queue position. After the volume of applications increased, PGE
3 began assigning queue numbers in January 2017.

4 87. Other factors unrelated to the interconnection process may have caused or may
5 result in delay to the date on which the Stringtown Project ultimately comes online.
6 PGE should not be held responsible for any delays that occurred in the
7 interconnection process if such delays do not actually affect the date on which the
8 Stringtown Project comes online.

9 88. PGE already has amended PNW Solar's PPA to extend the date for initial deliveries
10 of Net Output and the Commercial Operation Date by at least two years.

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IX. Prayer for Relief

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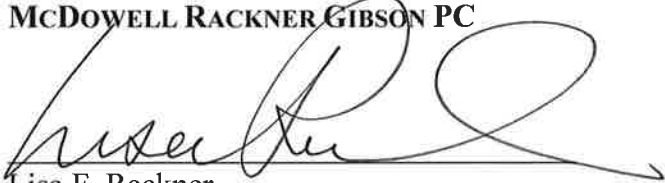
PGE respectfully requests that the Commission deny PNW Solar's requested relief

3

and dismiss the Complaint.

Dated: December 5, 2017

MCDOWELL RACKNER GIBSON PC



Lisa F. Rackner

Jordan R. Schoonover
419 SW 11th Avenue, Suite 400
Portland, Oregon 97205
Telephone: (503) 595-3925
Facsimile: (503) 595-3928
dockets@mrg-law.com

PORTLAND GENERAL ELECTRIC COMPANY

David F. White
Associate General Counsel
121 SW Salmon Street, 1WTC1301
Portland, Oregon 97204
Telephone: (503) 464-7701
david.white@pgn.com

Attorneys for Portland General Electric Company