PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: April 28, 2015

REGULAR CONSENT X EFFECTIVE DATE April 28, 2015

DATE:

April 22, 2015

TO:

Public Utility Commission

FROM:

Cindy Dolezel 650

THROUGH: Jason Eisdorfer and Aster Adams

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:

(Docket No. UM 1538) Request by Imagine Energy, LLC, on behalf of its

customer, Mid Valley Farms, for a waiver, pursuant to

OAR 860-084-0210(1), of the 12-month solar photovoltaic system

installation requirement.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Imagine Energy's request, made on behalf of its customer, Mid Valley Farms, to extend the 12-month installation deadline from April 16, 2015, to October 31, 2015, for the completion of two solar photovoltaic systems (9.7 kW each) in Pacific Power's (PAC) Solar Incentive Program.

DISCUSSION:

Issue

Each project that is awarded a capacity reservation retains it for 12 months from its reservation start date, so long as an interconnection application is submitted and approved by the utility within two months of the reservation start date; the deposit fees are paid; and 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).

Randy Feldhaus, the project manager for Imagine Energy, LLC, requests a waiver under OAR 860-084-0000(3) on behalf of its customer, Mid Valley Farms, to extend the 12-month installation deadline by six and a half months due to delays in the design and placement of a prefabricated structure that will house two solar photovoltaic arrays.

Docket No. UM 1538 (Solar VIR Waiver) April 22, 2015 Page 2

Applicable Rules

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." 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."

Analysis and Recommendation

Mid Valley Farms was awarded capacity reservations for two solar photovoltaic systems (9.7 kW each) to be installed on a new building yet to be constructed on the farm. There will be a separate meter for each array. Mid Valley Farms invested significantly in designing and integrating solar into the new prefabricated structure, but there were engineering challenges. A reinforced design was necessary to accommodate the increased weight of the solar arrays on the new building. Finalizing the building design took more time than expected due to a property boundary discrepancy. The materials for the building are expected to be delivered to the farm in early June 2015. Upon delivery, the structure will be assembled, the solar arrays will be installed, and the project will be finalized.

Mid Valley Farms has paid all required deposits in a timely manner for this project. According to PAC, the interconnection applications and fees were submitted and approved before the two-month deadline. The equipment related to the solar photovoltaic project will be paid for directly by Mid Valley Farms.

Although the original request was for an 11-month extension, Imagine Energy filed a revised request with the Commission on April 22, 2015, reducing its extension request to six and a half months. Staff believes that a six and a half month extension would give Mid Valley Farms enough time to complete the structure, permitting process, construct the solar project, and pass all inspections.

In analyzing the "good cause" rule criterion, Staff notes that there has been demonstrated investment in design and preparation, but the project was delayed by unforeseen design issues that have been diligently overcome. It seems reasonable that the project will be completed by October 31, 2015.

Based on this analysis, Staff recommends this waiver request be approved.

Docket No. UM 1538 (Solar VIR Waiver) April 22, 2015 Page 3

PROPOSED COMMISSION MOTION:

The request by Imagine Energy on behalf of Mid Valley Farms to: (1) waive the 12-month installation requirement for the completion of two solar photovoltaic systems (9.7 kW each) in Pacific Power's Solar Incentive Program and (2) extend the deadline from April 16, 2015, to October 31, 2015, be approved.

CA5 UM 1538 Mid Valley Farm VIR waiver request