

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: August 25, 2015

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE August 25, 2015

DATE: August 10, 2015

TO: Public Utility Commission

FROM: Cindy Dolezel *[Signature]*

THROUGH: Jason Eisdorfer and Aster Adams *[Signature]*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:  
(Docket No. UM 1538) Request by PGPV, LLC, on behalf of its customers, The Shire Apartment Homes and Starcrest Manor, for a waiver under OAR 860-084-000(3) of the 12-month solar photovoltaic system installation requirements set forth in OAR 860-084-0210(1) and (2).

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve PGPV, LLC's request to grant second extensions of the 12-month installation deadline for two projects in Portland General Electric's Solar Incentive Program due to funding delays, delivery of racking materials interrupted by the Port of Portland's freight handling situation, hot weather conditions affecting roof access, and residential work hour restrictions. The requests were made by Peter Greenberg, on behalf of his customers:

1. The Shire, requesting a second extension of the 12-month installation deadline from August 1, 2015, to September 1, 2015, for the completion of 25 solar photovoltaic systems (5.4 kW Direct Current (DC) each)
2. Starcrest, requesting a second extension of the 12-month installation deadline from August 1, 2015, to December 1, 2015, for the completion of 27 solar photovoltaic systems (5.4 kW DC each).

**DISCUSSION:**

Issue

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). Mr. Greenberg requests a waiver under OAR 860-084-0000(3) on behalf of The Shire to extend the project's original 12-month installation deadline from April 15, 2015, to September 1, 2015, and on behalf of Starcrest to extend its installation deadline from April 15, 2015, to December 1, 2015. The Shire is currently under construction, but was delayed and subsequently the projects following The Shire, namely Lorence Court and Starcrest, were also delayed.

#### 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 OAR 860-084-0000." 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."

#### Analysis and Recommendation

Mr. Greenberg is requesting an extension for these two projects because several circumstances resulted in the delay of these projects. The original installation deadline for both allocations was April 15, 2015. The first extension, which was granted by Commission Order No. 15-076 issued on March 10, 2015, reset the deadline for both allocations to August 1, 2015. This extension request would reset the installation deadline for The Shire to September 1, 2015, and for Starcrest to December 1, 2015. Staff notes that:

1. The original US Treasury grant<sup>1</sup> process was delayed in its fund distribution;
2. The racking materials from Asia were supposed to arrive in Portland, but were diverted to Long Beach, CA, due to Portland's freight handling issues, which delayed the delivery of the project materials;
3. Higher than normal heat conditions delayed The Shire and subsequently delayed the Starcrest's installation. Installations on composite roofing during high heat conditions can damage the composite materials. Construction can occur on these roofs when the temperatures are under 90 degrees Fahrenheit, according to PGPV; and
4. The projects are installed on adjoining apartment homes in residential areas with construction hours limited to day time hours which coincide with the highest temperatures.

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<sup>1</sup> PGPV/THE SHIRE and STARCREST – PUC Order No. 15-075, 3/10/15.

Staff verified the status of both projects with PGE staff, who commented that the initial interconnection applications were submitted and approved within the required two-month timeframe and PGE foresees no problems or delays with the installation or the site design for these projects. Permits for each project were approved for structural and electrical work. The solar panels were purchased and The Shire is currently under construction, while Starcrest is the next project awaiting installation.

The Starcrest project has been reduced from 50 solar photovoltaic systems to 27 solar photovoltaic systems at 5.4 kW DC each. This was due to higher than anticipated installation costs, so 23 of the 50 total projects were no longer financially feasible and PGE was notified that these projects would not proceed.

In analyzing the "good cause" rule criterion, Staff notes that the panels and racking equipment were purchased, interconnection applications were submitted and approved, electrical and site development permits were awarded, and The Shire is currently under construction. Given the above mitigating circumstances, extending the capacity allocation to The Shire by one month seems reasonable for completion of this project. Further, Staff believes that extending the capacity allocation to Starcrest by four months seems reasonable for completion of this series of projects. Staff also notes that PGPV has demonstrated an excellent project completion record as part of the Solar Incentive Program.

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

**PROPOSED COMMISSION MOTION:**

The request for a waiver by PGPV, LLC to extend the 12-month installation requirement for The Shire Apartment Homes from August 1, 2015, to September 1, 2015, be approved and the request for a waiver by PGPV, LLC to extend the 12-month installation requirement for Starcrest Apartments from August 1, 2015, to December 1, 2015 be approved.