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 for CS

THROUGH: Jason Eisdorfer and Aster Adams

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:

(Docket No. UM 1538) Request by PGPV, LLC, on behalf of its customers, Lorence Court Apartments, 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, made by Peter Greenberg, on behalf of its customer, Lorence Court Apartments, to grant a second extension of the 12-month installation deadline from August 1, 2015, to November 1, 2015, for the completion of 24 solar photovoltaic systems (5.4 kW each) ("Project") in Pacific Power'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.

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 Project to extend the project's installation deadline from August 1, 2015, to November 1, 2015.

Docket No. UM 1538 (Solar VIR Waiver) August 10, 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." 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 additional three months to a previously granted extension to complete solar photovoltaic installations on 24 units at the Lorence Court townhome and apartment complex in Portland, Oregon. The original installation deadline for this allocation was April 15, 2015. The first extension which was granted by the Commission Order No. 15-076 issued on March 10, 2015, reset the deadline to August 1, 2015, and this extension would reset the installation deadline to November 1, 2015. The apartment owner is installing panels on buildings throughout the complex, will be paid to lease their roof to PGPV, LLC, and will acquire the system after the initial 15 years of the volumetric incentive rates payment.

Several circumstances led to the delay of this project. Staff notes that:

- 1. The original US Treasury grant 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;
- Higher than normal heat conditions delayed projects under construction and subsequently delayed the Lorence Court 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. This project is in a residential area with construction hours limited to day time hours which coincide with the highest temperatures.

Staff verified the Project's status with Pacific Power staff, who commented that the initial interconnection application was submitted and approved within the required two month timeframe and foresees no problems or delays with the installation or the site design. Permits for the Project were approved by the City of Portland for both structural and electrical permits. The solar panels are purchased and awaiting installation.

¹ PUC Staff Report for March 10, 2015 Public Meeting (Item No. CA9)

Docket No. UM 1538 (Solar VIR Waiver) August 10, 2015 Page 3

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 are in process, and upon delivery of the racking materials, the Project is ready for installation. Extending this capacity allocation to November 1, 2015, seems reasonable for completion of this Project that was delayed due to weather, funding delays from the US Treasury, and complications with shipping and delivery of the building materials.

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 Lorence Court Apartments Project from August 1, 2015, to November 1, 2015, be approved.

CA-UM 1538 Lorence Court VIR waiver request