

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: May 3, 2016**

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE May 3, 2016

DATE: April 26, 2016

TO: Public Utility Commission

FROM: Michael Breish MB

THROUGH: Jason Eisdorfer and Michael Dougherty JE

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by PGPV for a waiver of the 12-month solar photovoltaic system installation requirement pursuant to OAR 860-084-0210(1).

**STAFF RECOMMENDATION**

Staff recommends the Commission grant the request by PGPV, LLC (PGPV) to waive the 12-month deadline to install eight 100 kW solar photovoltaic (SPV) systems under Pacific Power's Oregon Solar Incentive Program (OSIP) by an additional 60 days, to July 11, 2016.

**DISCUSSION:**

Issue

Whether PGPV established good cause supporting its request for a waiver of the 12-month capacity reservation pursuant to OAR 860-084-0210(1) for its eight SPV systems.

Applicable Law

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).

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

PGPV, the project developer, requests a deadline extension of the firm’s eight 100 kW SPV systems that it is installing on in Bonanza, Oregon, which is located just east of Klamath Falls.<sup>1</sup> PGPV notes that the Company has completed the required engineering analysis and system design work, secured the structural and electrical permits, submitted the required utility paperwork, submitted the necessary deposit to Pacific Power, and installed the foundation posts, racking, and solar modules. Due to delays from the array tracking system manufacturer and Pacific Power, the SPV system will not be completed by the deadline of May 11, 2016. The Commission received this request on April 1, 2016.

Staff held separate calls with representatives from PGPV to discuss details beyond the helpful filing regarding these eight SPV systems. PGPV determined that a single-axis tracking system would make the overall installation of all eight systems more cost effective. However, obtaining a tracking system supplier was difficult according to PGPV because most tracking system manufacturers prefer SPV systems 1 MW and greater. One supplier did agree to work with PGPV’s smaller systems, but on condition that the Bonanza systems be a training ground for the tracking system. During the installation, PGPV and the tracking system manufacturer have discovered a number of opportunities for improvement and modification to increase system performance and reliability in part because of the unconventional SPV system size. These efforts in turn have extended the construction time due to part design, fabrication and testing. PGPV estimates the remainder of the newer tracking system parts will arrive by the end of May.

PGPV also noted that Pacific Power has yet to provide a cost estimate for the infrastructure upgrades necessary to interconnect the eight SPV systems despite that PGPV submitted the necessary documentation back in July, 2015. Pacific Power has assured PGPV they are working on PGPV’s materials but have to contend with a backlog of applications.

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<sup>1</sup> The projects are: 1) Keeton #1, 2) Keeton #2, 3) Hammerich Teague #1, 4) Hammerich Teague #2 5) Hammerich Willy’s, 6) Hammerich Birch #1, 7) Hammerich Birch #2, and 8) Hammerich Birch #3

In analyzing for “good cause,” Staff’s primary considerations were PGPV’s ongoing construction of the eight systems, successful permitting besides the Pacific Power interconnection, successful documentation and transparent and forthcoming explanation.

Recommendation

Based on this analysis, Staff recommends the waiver request be granted.

**PROPOSED COMMISSION MOTION:**

The request by PGPV to waive the 12-month installation requirement for the eight SPV systems under Pacific Power’s OSIP be granted, and the deadline be extended until July 11, 2016.