

## PUC Pleadings

Docket UM1930 12.13.19

Oregon based Neighborhood Power has been selling discounted solar by the kWh for the past 10 years.

For the past three years Neighborhood Power has been tracking and preparing for the Oregon Community Solar Program, including moving our operations from Hawaii to Oregon and investing heavily in projects to prepare for this program.

Over the past 3 years Neighborhood Power has:

1. Syndicated investors and lenders to fund Oregon Community Solar projects.
2. Signed and paid for land leases on four sites.
3. Secured land use and interconnection on these four sites.
4. Secured the permits on these four sites to ensure the land use permits did not expire. It is our understanding that based on the new restrictions approved by the Oregon Land Conservation and Development Commission these projects would be canceled if these land use permits expired.
5. Started construction to avoid the third wave of tariffs to hit the solar industry and to secure the full ITC.
6. Paid for the grid upgrades to support these projects, totaling over \$1.3 Million.
7. Educated corporate, non-profit and low income off takers on the program so we would have power buyers lined up when the program opened.

With the additional tariff pressure and ITC deadline looming at the end of 2019 along with our capital outlay burden in the development of these projects, Neighborhood Power made the decision to start our construction before the opening of the program based on all currently available information that our projects would qualify as long as they were not operational before being approved by the program.

It was not until the webinar on November 21<sup>st</sup>, 2019 that we had any indication that start of construction could affect our eligibility. The webinar eluded to a review that may be imposed on projects that had begun construction. Then the latest PIM made all of these projects ineligible.

This seemingly simple rule change puts our company in grave financial risk and jeopardizes many investors and lenders who agreed to invest in Oregon's renewable energy infrastructure.

Over the past few years the US solar industry has been hit with high tariffs on solar modules, steel & aluminum components as well as power electronics. These tariffs along with tightening grid space and ever-increasing costs of interconnection have put the entire US solar industry at risk. Neighborhood Power has worked to stay active under these conditions by investing in markets like Oregon that have committed to making the transition to a renewable energy economy.

Due to Oregon's unique problematic land use situation in PGE territory, the economic factors for the solar industry, and the long timeframe of the OCSP roll out Neighborhood Power strongly requests that the Installation requirements in the PIM on page 33 Installation Requirements (a) be edited from the

current statement to read, "Projects must be new and not operational. Construction on the generation equipment may begin prior to Pre-certification".

Thank you for your consideration.

Stephen Gates  
President, Neighborhood Power