

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 8, 2022**

REGULAR **CONSENT** **EFFECTIVE DATE** Feb. 9, 2022

DATE: January 31, 2022

TO: Public Utility Commission

FROM: Joe Abraham

THROUGH: Bryan Conway, JP Batmale, and Sarah Hall **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 1930)
Requests consenting to the assignment of the Community Solar Program Power Purchase Agreement, and Certification of project in the Community Solar Program.

STAFF RECOMMENDATION:

Consent to the assignment of the Project Manager's (PM's) rights and responsibilities under the Community Solar Program (CSP) Power Purchase Agreement (PPA) to Community Bank, and certify the Wallowa County Community Solar project in the CSP.

DISCUSSION:

Issue

Whether the Commission should accept the Program Administrator's (PA) recommendation to consent to the assignment of the PM's rights and responsibilities under the CSP PPA to Community Bank, and certify the project in the CSP.

Applicable Rule or Law

Section 22 of Senate Bill (SB) 1547, effective March 8, 2016, and codified in Oregon Revised Statute (ORS) 757.386, directs the OPUC to establish a community solar program (hereinafter referred to as "Program", or "CSP").

On June 29, 2017, the Commission adopted formal rules for Oregon's Community Solar Program under Oregon Administrative Rules (OAR) Division 88 of Chapter 860.

On November 8, 2019, in Order No. 19-392, the Commission approved final elements for the Community Solar Program and release of the interim capacity tier.

On July 15, 2021, in Order No. 21-231, the Commission approved consent to the assignment of the PM's rights and responsibilities under the CSP Power Purchase Agreement in the event of a default by the Project Manager (PM) in the respective projects' financing arrangements.

On October 25, 2021, in Order No. 21-347, the Commission approved a six month extension of the temporary waiver of the Community Solar Program ten percent low-income capacity requirement prior to Certification.

Section 3.16 of the CSP Program Implementation Manual (PIM) allows the PA to recommend a waiver of PIM provisions on a case-by-case basis and as part of the Commission's decision on Certification. Any recommended waiver is subject to approval by the Oregon Public Utility Commission at the time of pre-certification or certification.

Section 5.2 of the CSP PIM outlines the information and documentation that must be submitted to the PA as part of the Certification application.

On January 11, 2022, in Order No. 22-007, the Commission approved modifications to the Community Solar Program Implementation Manual.

Analysis

Background

A Project Manager (PM) registered with CSP may submit applications for project Certification to the Program Administrator (PA). As required by OAR 860-088-0050(3), the PA reviews applications for compliance with Program requirements and recommends projects for Certification by the Commission.

The PA received an application in December 2021 for the Wallowa County Community Solar project described below. After reviewing the application and supporting documentation provided by the PM, the PA has recommended that the Commission certify the project in the Program. See the Certification Recommendation Form, Attachment A.

Project Name	Name of Project Manager	Utility Territory	Project Size (kW-AC)	Attachment #
Wallowa County Community Solar	Fleet Development, LLC	Pacific Power	360	Attachment A

The Wallowa County Community Solar Project is a 360 kW-AC rooftop solar project managed by Fleet Development, LLC. The project is located in the City of Enterprise in Wallowa County, in the Pacific Power (PAC) service area. This is the second carve-out project to request Certification in the Program. More than 50 percent of the project's generation will be subscribed by affordable housing properties, where the property manager receives the net savings of community solar and passes a majority of the savings on to the low-income (LI) tenants in the building.

The PM included two waivers with its application for project Certification. The first waiver requests allowing the project owner to sign the CSP Power Purchase Agreement (PPA). The second waiver requests project Certification prior to construction. These two waivers are no longer required following Order No. 22-007, which approved modifications to the PIM allowing the project owner to sign the PPA, and allowing project Certification prior to construction.

The PM also included in its application for project Certification a request that the Commission consent to the assignment of the PM's rights and responsibilities under the CSP PPA to the PM's lender, Community Bank. Community Bank requires this reassignment of the PPA during the term of the loan, and the PAC CSP PPA requires the Commission to approve. The Commission previously approved a similar consent for another project in Order No. 21-231. Staff recommends the Commission consent to the assignment of the PM's rights and responsibilities under the CSP PPA to Community Bank.

Conclusion

Staff has discussed the project application with the PA and reviewed CSP requirements. Staff supports the PA's recommendation that the Commission consent to the assignment of the PM's rights and responsibilities under the CSP PPA to Community Bank, and approve the project for Certification in the Program.

Because the PA expects that PMs will likely make similar financing-related requests for consent to assignment of CSP PPAs in the future, Staff and the PA may bring forward a

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future recommendation for a blanket consent for all projects and PMs that meet specific criteria.

PROPOSED COMMISSION MOTION:

Consent to the assignment of the PM's rights and responsibilities under the CSP PPA to Community Bank, and certify the Wallowa County Community Solar project in the CSP.



Community Solar Certification Recommendation

Public Meeting Date: 2/8/22

Project Overview

Project ID:	PP-2020-35		
Project Name:	Wallowa County Community Solar		
Project Manager:	Fleet Development, LLC		
Site Address:	81855 Homan Ln	Enterprise	97828
Utility Territory:	Pacific_Power		
Project Size (kW-AC):	360		
Applicable Designations :	Low Income	No	
	Workforce Diversity	No	
	Brownfield	No	
	Dual-Use Ag	No	
Development Entity Type:	LLC		
Projected COD:	12/31/2021		
Project Description:	Wallowa County Community Solar is a 360 kW-AC project located outside the City of Enterprise in Wallowa County, in PAC service area.		

Requirements Checklist (OAR 860-088-0050 and PIM Chapter 5)

Participant requirements:

≥ 5 different participants	Yes
≥ 50% project capacity subscribed/owned	Yes
≥ 10% capacity subscribed/owned by low-income participants	Yes
≤ 40% capacity subscribed/owned by single participant	Yes
< 50% capacity subscribed/owned by large commercial/industrial/irrigation	Yes
All participants verified as eligible	Yes

Project requirements:

Project has not changed materially since pre-certification	Yes
Conditions imposed at pre-certification have been met	Yes
Executed utility PPA submitted	Yes
As-built plan set submitted	No
Final project cost information submitted	Yes
Status of utility interconnection upgrades and inspection submitted	Yes
Commercial Operation Date expected within 6 months	Yes

PA Recommendation

Recommendation:	Recommending with reservations
Recommendation Date:	12/2/2021

No PA comments