

ADAM LOWNEY Direct (503) 595-3926 adam@mrg-law.com

April 13, 2020

Public Utility Commission of Oregon Filing Center 201 High Street SE, Suite 100 P.O. Box 1088 Salem, Oregon 97301

## Re: UM 1930 – Community Solar Program Implementation

Dear Filing Center:

In accordance with Order No. 20-122, Idaho Power Company ("Idaho Power" or the "Company") hereby submits a revised pro forma power purchase agreement ("PPA") for projects participating in the Community Solar Program ("CSP"). The pro forma PPA includes the Conditional Designated Network Resource (DNR) provision that the Public Utility Commission of Oregon ("Commission") directed Idaho Power to include in its CSP PPA. In addition, the attached PPA includes three new definitions that define terms used in the Conditional DNR provision.

To facilitate review of the revisions, the Company has included a clean version of the PPA and a version that shows the changes.

Respectfully submitted,

Times

Adam Lowney McDowell Rackner Gibson PC 419 SW 11<sup>th</sup> Avenue, Suite 400 Portland, OR 97205 dockets@mrg-law.com

Donovan Walker Idaho Power Company Attorneys for Idaho Power Company

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1930

# IDAHO POWER COMPANY

Community Solar Program Purchase Agreement

Revised

Clean Version

April 13, 2020

# COMMUNITY SOLAR PROGRAM PURCHASE AGREEMENT

## RECITALS

A. Project intends to construct, own, operate and maintain a solar photovoltaic facility for the generation of electric power, including interconnection facilities, located in
[City, County, State] with a Facility Capacity Rating of
-kilowatts (kW) as further described in Exhibit A and Exhibit B ("Facility"); and

B. Project intends to commence delivery of Net Output under this Agreement, for the purpose of Start-up Testing, on \_\_\_\_\_\_, 20\_\_\_\_ ("Scheduled Initial Delivery Date"); and

C. Project intends to operate the Facility as a Community Solar Program Project, commencing commercial operations on \_\_\_\_\_\_, 20\_\_\_\_ ("Scheduled Commercial Operation Date").

D. Project estimates that the average annual Net Output to be delivered by the Facility to Company is \_\_\_\_\_\_ kilowatt-hours (kWh); and

E. Project shall deliver all Net Output to Company and purchase its full electric requirements from Company or sell Net Output surplus to its needs at the Facility site to Company, and may purchase retail electric service from Idaho Power in accordance with the terms and conditions of this Agreement and all other applicable tariff Schedules; and

F. This Agreement is a Community Solar Program Purchase Agreement under the Oregon Community Solar Program implemented by the Oregon Public Utility Commission pursuant to ORS 757.386(2).

### AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

### **SECTION 1: DEFINITIONS**

Agreement means this Community Solar Program Purchase Agreement.

**As-Available Rate** is the rate for purchase of a Project's Unsubscribed Energy and is defined in the Company's Oregon tariff Schedule XX.

**Certified Projects** are Projects that have been certified by the Public Utility Commission of Oregon under OAR 860-088-0050.

**Commercial Operation Date** means the date that the Solar Photovoltaic Facility is deemed by Company to be fully operational and reliable, which shall require, among other things, that all of the following events have occurred:

- Company has received a certificate from the Project stating (a) the Facility Capacity Rating of the Facility at the anticipated Commercial Operation Date; and (b) that the Facility is able to generate electric power consistently, safely, and reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement;
- Company has received an insurance certificate in accordance with Oregon tariff Schedule XX and this Agreement.
- The Facility has completed Start-Up Testing;
- The Company has received written confirmation from the Company's business unit that administers the Generator Interconnection Agreement ("GIA")stating that, in accordance with the GIA, all required interconnection facilities have been constructed, all required interconnected with Company's electric system.

Commission means the Public Utility Commission of Oregon.

**Community Solar Program** is the program established for the procurement of electricity from community solar projects pursuant to ORS 757.386(2).

**Community Solar Program Interconnection** is the interconnection service offered by the Company to Projects in the Community Solar Program.

**Community Solar Program Interconnection Agreement** means the generation interconnection agreement to be entered into separately between Project and Company providing for the construction, operation, and maintenance of the Company's interconnection facilities required to accommodate deliveries of Projects' Net Output.

**Contract Year** means the period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter

**Energy** means the non-firm electric energy, expressed in kWh, generated by the Project and delivered to the Company in accordance with the conditions of this schedule. Energy is measured net of Losses and Station Use.

**Losses** are the loss of electric energy occurring as a result of the transformation and transmission of electric energy from the Project to the Point of Delivery.

**Net Output** means all energy produced by Project, less station use and less transformation and transmission losses and other adjustments, if any. For purposes of calculating payment under this Agreement, Net Output shall be the amount of energy flowing through the Point of Delivery.

Participant means a customer of the Company that is either a subscriber or owner of a Project.

**Point of Delivery** is the location where the Company's and Project's electrical facilities are interconnected.

**Pre-certified Project** is a project that is pre-certified by the Oregon Public Utility Commission under OAR 860-088-0040.

**Program Administrator** means the third-party directed by the Oregon Public Utility Commission to administer the Community Solar Program.

**Project** is one or more solar photovoltaic energy systems used to generate electric energy on behalf of Community Solar Program owners and subscribers and for which owners and subscribers receive credit on their electric bills.

**Project Manager** has the same definition as ORS 757.386(d) and means the entity identified as having responsibility for managing the operation of a community solar project and, if applicable, for maintaining contact with the electric company that procures electricity from the community solar project. A project manager may be: (A) An electric company; or (B) An independent third party.

**Prudent Electrical Practices** are those practices, methods, and equipment that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.

PURPA means the Public Utility Regulatory Policies Act of 1978.

**Qualifying Facility** is a solar photovoltaic facility that meets the PURPA criteria for qualification set forth in Subpart B of Part 292, Subchapter K, Chapter I, Title 18, of the Code of Federal Regulations.

**Station Use** is electric energy used to operate the Project that is auxiliary to or directly related to the generation of electricity and which, but for the generation of electricity, would not be consumed by Project.

**Subscribed Energy** means the portions of the Energy generated by the Project and delivered to the Point of Delivery for which the Project has obtained a subscriber or owner and for which the Company must credit the subscribers' and owners' electric bills.

**Transmission Provider** means Idaho Power Company, acting in its transmission provider capacity.

**Unsubscribed Power** means the portion of the Energy delivered to the Point of Delivery for which the Project has no subscriber or owner and for that is purchased by the Company at the As-Available Rate.

# **SECTION 2: TERM**

This Agreement shall become effective after execution by both Parties ("Effective Date") and shall continue in full force and effect for a period of \_\_\_\_\_ (not to exceed 20 years) Contract Years from the Commercial Operation Date.

## **SECTION 3: DELIVERY OF POWER AND COMPENSATION**

Commencing on the Commercial Operation Date, unless otherwise provided herein, Project will transmit to the Company all Energy generated by the Project and Company will accept all Energy delivered to the Point of Delivery.

Company will compensate the Project and Project owners and subscribers for Energy delivered to the Point of Delivery ("Net Output") on a monthly basis.

For the portion of the monthly Net Output that is Subscribed Energy, Company will credit the electric bills of Project owners and subscribers to account for their proportionate share of the Net Output in accordance with the requirements and data provided by the Program Administrator.

For the portion of the monthly Net Output that is Unsubscribed Energy, Company will pay the Project Manager the Company's As-Available Rate.

## **SECTION 4: ENVIRONMENTAL ATTRIBUTES**

Company waives any claim to ownership of any Environmental Attributes associated with the Project's Net Output.

## **SECTION 5: OPERATION AND CONTROL**

**As-Built Supplement**. Upon completion of initial (and any subsequent) construction of the solar photovoltaic facility, Project shall provide Company an As-Built Supplement to specify the actual Facility as built. The As-Built Supplement must be reviewed and approved by the Company, which approval shall not be unreasonably withheld, conditioned or delayed.

**Facility Operation**. Project shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time. Company shall have no obligation to purchase Net Output from the Project to the extent the interconnection between the Project and the Company's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the

extent generation curtailment is required as a result of the Company's s non-compliance with the Generation Interconnection Agreement.

The Company shall have the right to inspect the Project to confirm that the Project is operating the solar photovoltaic facility in accordance with the provisions of this Agreement upon reasonable notice to Project. Project is solely responsible for the operation and maintenance of the Facility. The Company shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Project of the Facility.

**Scheduled Outages.** Project may cease operation of the entire Facility or individual units for maintenance or other purposes. Project shall exercise reasonable efforts to notify Company of planned outages at least ninety (90) days prior.

**Unplanned Outages.** In the event of an unscheduled outage or curtailment exceeding twentyfive (25) percent of the Facility Capacity Rating (other than curtailments due to lack of motive force) expected to last more than 48 hours, Project shall reasonably notify the Company of the unscheduled outage or curtailment, the time when such occurred or will occur, and the anticipated duration.

## **SECTION 6: METERING**

Company shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment required pursuant to the Generation Interconnection Agreement.

Metering shall be performed at the location and in a manner consistent with this Agreement, the Generation Interconnection Agreement, and requirements of the Community Solar Program. All quantities of Energy purchased hereunder shall be adjusted to account for electrical losses, if any between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of energy flowing into Idaho Power's system at the Point of Delivery.

Company shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two percent (2%), either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next payment rendered following the repair of the meter.

### **SECTION 7: COMPUTATIONS**

No later than the second business day of each month, Company will transfer to the Project Administrator the solar production of the Project, which is the Net Output for the month measured in kWh.

### **SECTION 8: COMPENSATION**

**Payment for Unsubscribed Energy.** No later than thirty (30) days after receiving kWh from Program Administrator, Company shall send to Program Administrator payment for Project deliveries of Unsubscribed Energy to Company, together with computations supporting such payment. Company may offset any such payment to reflect amounts owing from Project to Company pursuant to this Agreement, the Generation Interconnection Agreement, or any other agreement between the Parties.

**Corrections.** Company shall have up to three months to adjust any payment made pursuant to Section 10.1. In the event Company determines it has overpaid Project, Company may adjust Project's future payment for Unsubscribed Energy accordingly in order to recapture any overpayment in a reasonable time.

**Interest.** Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

**Payment for Subscribed Energy.** Company will credit the electric bills of Project owners and subscribers for their proportionate shares of Subscribed Energy in accordance with data provided by Program Administrator.

### **SECTION 9: SUCCESSORS AND ASSIGNS**

This Agreement and all of the terms shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment by either Party shall become effective without approval from the Public Utility Commission of Oregon.

## **SECTION 10: NOTICES**

All notices except as otherwise provided in this Agreement shall be in writing shall be directed as follows and shall be directed as follows and shall be considered if delivered in person or when deposited in the U.S. Mail, postage prepared by certified or registered mail and return receipt requested.

### **SECTION 11: TERMINATION**

This Agreement shall terminate at any time the Program Administrator has notified Company in writing that the Project is no longer certified as a Project in the Oregon Community Solar Program pursuant to ORS 757.386(2), or by mutual agreement of the Parties.

### **SECTION 12: INDEMNIFICATION**

<u>Indemnification</u> - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

# **SECTION 13: INSURANCE**

For Projects greater than 200 kW, the Seller shall secure and continuously carry insurance as specified within this Section for the term of the Agreement.

Insurance Requirements:

- 1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of B+ or better.
- 2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within five (5) days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
- 3. Prior to the Operation Date and subsequently within ten (10) days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
- 4. The Certificate of Insurance shall evidence the appropriate insurance coverage of Comprehensive General Liability Insurance for both bodily injury and property damage with limits equal to one million dollars (\$1,000,000), each occurrence, combined single limit. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

# **SECTION 14: OTHER CHARGES**

The Project shall pay the Company the current Integration Charge from the Company's Oregon Schedule 85 based on the Nameplate Capacity of the Project and the total Nameplate Capacity of solar under contract with the Company.

# SECTION 15: DESIGNATION OF NETWORK RESOURCE

Within five (5) business days following the Effective Date, the Company will submit an application to the Transmission Provider requesting designation of the Facility as a network resource, thereby authorizing network transmission service under the Company's Network Integration Transmission Service Agreement with the Transmission Provider. The Company will request an effective date for commencement of network transmission service for the Facility that is ninety (90) days prior to the Scheduled Commercial Operation Date. The Company will inform Project Manager of Transmission Provider's response to the application described above in this paragraph within five (5) days of the Company's receipt of such response from the Transmission Provider. If the Company is notified in writing by the Transmission Provider that designation of the Facility as a network resource requires the construction of transmission system network upgrades or otherwise requires potential re-dispatch of other network resources of the Company (a "Conditional DNR Notice"), the Company and Project Manager will promptly meet to determine how such conditions to the Facility's network resource designation will be addressed in this Agreement. If, within sixty (60) days following the date of the Company's receipt of the Conditional DNR Notice, the Company and Project Manager are unable to reach agreement regarding how to designate the Facility as a network resource in light of the Conditional DNR Notice, the Company will submit the matter to the Commission for a determination on whether, as a result of the Conditional DNR Notice, this Agreement should be terminated or amended. The Company will submit such filing to the Commission within ninety (90) days following the date of the Company's receipt of the Conditional DNR Notice. In the event of such a filing to the Commission under this Section, the Parties' obligations under this Agreement will be suspended until such time that the Commission issues a final decision. In the event of a Conditional DNR Notice, Project Manager will have the right to terminate this Agreement upon written notice to the Company and such termination by Project Manager will not be an event of default and no damages will be owed by Project Manager to the Company related to the termination of this Agreement except to the extent the Company has incurred costs at Project Manager's request in furtherance of addressing the matters covered under this Section.

## **SECTION 16: ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed in their respective names on the dates set forth below:

Idaho Power Company	Project
By:	By:
Print:	Print:
Vice President, Power Supply	Title:

Dated:	
"Project"	

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1930

# IDAHO POWER COMPANY

Community Solar Program Purchase Agreement

Revised

**Redline Version** 

April 13, 2020

# COMMUNITY SOLAR PROGRAM PURCHASE AGREEMENT

## RECITALS

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**Corrections.** Company shall have up to three months to adjust any payment made pursuant to Section 10.1. In the event Company determines it has overpaid Project, Company may adjust Project's future payment for Unsubscribed Energy accordingly in order to recapture any overpayment in a reasonable time.

**Interest.** Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

**Payment for Subscribed Energy.** Company will credit the electric bills of Project owners and subscribers for their proportionate shares of Subscribed Energy in accordance with data provided by Program Administrator.

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## **SECTION 10: NOTICES**

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### **SECTION 11: TERMINATION**

This Agreement shall terminate at any time the Program Administrator has notified Company in writing that the Project is no longer certified as a Project in the Oregon Community Solar Program pursuant to ORS 757.386(2), or by mutual agreement of the Parties.

### **SECTION 12: INDEMNIFICATION**

<u>Indemnification</u> - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

# **SECTION 13: INSURANCE**

For Projects greater than 200 kW, the Seller shall secure and continuously carry insurance as specified within this Section for the term of the Agreement.

Insurance Requirements:

- 1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of B+ or better.
- 2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within five (5) days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
- 3. Prior to the Operation Date and subsequently within ten (10) days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
- 4. The Certificate of Insurance shall evidence the appropriate insurance coverage of Comprehensive General Liability Insurance for both bodily injury and property damage with limits equal to one million dollars (\$1,000,000), each occurrence, combined single limit. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

# **SECTION 14: OTHER CHARGES**

The Project shall pay the Company the current Integration Charge from the Company's Oregon Schedule 85 based on the Nameplate Capacity of the Project and the total Nameplate Capacity of solar under contract with the Company.

# SECTION 15: DESIGNATION OF NETWORK RESOURCE

Within five (5) business days following the Effective Date, the Company will submit an application to the Transmission Provider requesting designation of the Facility as a network resource, thereby authorizing network transmission service under the Company's Network Integration Transmission Service Agreement with the Transmission Provider. The Company will request an effective date for commencement of network transmission service for the Facility that is ninety (90) days prior to the Scheduled Commercial Operation Date. The Company will inform Project Manager of Transmission Provider's response to the application described above in this paragraph within five (5) days of the Company's receipt of such response from the Transmission Provider. If the Company is notified in writing by the Transmission Provider that designation of the Facility as a network resource requires the construction of transmission system network upgrades or otherwise requires potential re-dispatch of other network resources of the Company (a "Conditional DNR Notice"), the Company and Project Manager will promptly meet to determine how such conditions to the Facility's network resource designation will be addressed in this Agreement. If, within sixty (60) days following the date of the Company's receipt of the Conditional DNR Notice, the Company and Project Manager are unable to reach agreement regarding how to designate the Facility as a network resource in light of the Conditional DNR Notice, the Company will submit the matter to the Commission for a determination on whether, as a result of the Conditional DNR Notice, this Agreement should be terminated or amended. The Company will submit such filing to the Commission within ninety (90) days following the date of the Company's receipt of the Conditional DNR Notice. In the event of such a filing to the Commission under this Section, the Parties' obligations under this Agreement will be suspended until such time that the Commission issues a final decision. In the event of a Conditional DNR Notice, Project Manager will have the right to terminate this Agreement upon written notice to the Company and such termination by Project Manager will not be an event of default and no damages will be owed by Project Manager to the Company related to the termination of this Agreement except to the extent the Company has incurred costs at Project Manager's request in furtherance of addressing the matters covered under this Section.

# SECTION 165: ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed in their respective names on the dates set forth below:

Idaho Power Company	Project
By:	By:
Print:	Print:
Vice President, Power Supply	Title:

Dated:	
"Project"	