



# Program Administrator's Project Recommendation

October 27, 2022

# Community Solar Program - Docket No. UM 1930

On January 11, 2022, in Order No. 22-007, the Commission permitted the delegation of Commission authority to the Community Solar Program Administrator (PA) to grant noncontroversial project precertifications, waivers, extensions, and amendments. Under the permitted delegation of authority, Staff will post the PA's project recommendation to UM 1930 with a comment period of two weeks. If no comments in opposition are received prior to the end of the comment period, the recommendation will go into effect. If comments in opposition are received prior to the end of the comment period, the recommendation will not go into effect and the matter will be referred to the Commission for a decision at the next available public meeting.

Staff posts the PA's recommendation to grant a six-month Certification deadline for the following projects:

PGE-2020-16 (Manchester Solar) PGE-2020-19 (Dover Solar) PGE-2020-17 (Clayfield Solar) PGE-2020-15 (Belvedere Solar)

The PA has reviewed the project Certification deadline extension requests for the projects and has recommended granting the extensions with the expectation that the projects demonstrate marked progress on development and customer recruitment during the extension. The extension requests are included at the bottom of this document. Staff finds the PA's recommendations to be noncontroversial and that granting an extension may be delegated to the PA. Stakeholders in opposition of the PA's recommendation should post comments to UM 1930 by November 10, 2022.

#### To Submit Public Comment:

Stakeholders can submit written comments on the PA's recommendation by email to <u>puc.filingcenter@puc.oregon.gov</u>. Please email <u>puc.hearings@puc.oregon.gov</u> to be added to the UM 1930 docket service list and receive notifications in the UM 1930 docket.



The Oregon Community Solar Program Administrator (PA) has reviewed the amendment request of the project described below and recommends that the Certification deadline be extended by 6 months.

# **Project Information**

Project ID: PGE-2020-16 Project Name: Manchester Solar Project Manager: Solar Town Subscription Manager: Solar Town Utility Service Area: PGE Project Site Address: 18100 SE Neck Rd. Project Size (kW-AC): 1,800 Carveout-eligible: No Current Program Status and Date Achieved: Pre-certified, 7/1/20

### **Project Description**

Manchester Solar is an 1,800 kW-AC project located in Dayton, Oregon, in Yamhill County. Solar Town has not contracted with a subscription manager.

#### **Review Summary**

**Date Review Completed:** 10/10/22 **Nature of the Amendment Request:** Extend Certification Deadline **PA Recommendation:** Approve

#### **Review Notes**

Current Certification Deadline: January 1, 2023

### Recommended Certification Deadline: July 1, 2023

Manchester Solar is one of four Tier 1 projects managed by Solar Town in PGE service area. The project had an original certification deadline of January 1, 2022, and has been granted two sixmonth extensions and has a current certification deadline of January 1, 2023. The first extension was due to industry disruption associated with the COVID-19 pandemic, and the second was due to supply chain disruption related to tariffs on imported panels. The PA viewed both of these factors as valid causes to support certification extensions for all projects that requested this.

Solar Town has requested an additional six-month extension. The project explains that they need time to make changes to their development plans to accommodate changes to the federal investment tax credit that are included in the recently-passed Inflation Reduction Act. The project also notes that an extension would allow them to delay primary construction until after the rainy season. The PA notes that both of these factors may prove valid, but does not recommend the Commission grant an additional series of project extensions related to these factors without further due diligence.

However, the PA notes that there is currently not a shortage of program capacity for non-carveout community solar projects in PGE service area. There is currently 9.7 MW available to non-carveouteligible projects in PGE, and this number has been unchanged since the program's Second Offering was made available this last winter. At this time, PA is not aware of enough project capacity in development to make use of this available capacity. Because there are no waitlisted projects available to make use of any newly-freed capacity, there is no benefit to the program or to participants in not granting flexibility to these projects provided that they continue to make adequate progress towards achieving commercial operations.

Solar Town recently began recruiting customers for their projects and reports that they are prepared to begin construction on their projects pending the items described above. The PA supports granting a six-month extension of the projects' certification deadlines, provided that they demonstrate marked progress in the next six months on development and customer recruitment.

### **Attachments Included**



The Oregon Community Solar Program Administrator (PA) has reviewed the amendment request of the project described below and recommends that the Certification deadline be extended by 6 months.

# **Project Information**

Project ID: PGE-2020-19 Project Name: Dover Solar Project Manager: Solar Town Subscription Manager: Solar Town Utility Service Area: PGE Project Site Address: NE of Gribble Rd and Canby Marquam Hwy Project Size (kW-AC): 1,980 Carveout-eligible: No Current Program Status and Date Achieved: Pre-certified, 7/1/20

### **Project Description**

Dover Solar is a 1,980 kW-AC project located in Canby, Oregon, in Marion County. Solar Town has not contracted with a subscription manager.

### **Review Summary**

**Date Review Completed:** 10/10/22 **Nature of the Amendment Request:** Extend Certification Deadline **PA Recommendation:** Approve

### **Review Notes**

Current Certification Deadline: January 1, 2023

### Recommended Certification Deadline: July 1, 2023

Dover Solar is one of four Tier 1 projects managed by Solar Town in PGE service area. The project had an original certification deadline of January 1, 2022, and has been granted two six-month extensions and has a current certification deadline of January 1, 2023. The first extension was due to industry disruption associated with the COVID-19 pandemic, and the second was due to supply chain disruption related to tariffs on imported panels. The PA viewed both of these factors as valid causes to support certification extensions for all projects that requested this.

Solar Town has requested an additional six-month extension. The project explains that they need time to make changes to their development plans to accommodate changes to the federal investment tax credit that are included in the recently-passed Inflation Reduction Act. The project also notes that an extension would allow them to delay primary construction until after the rainy season. The PA notes that both of these factors may prove valid, but does not recommend the Commission grant an additional series of project extensions related to these factors without further due diligence.

However, the PA notes that there is currently not a shortage of program capacity for non-carveout community solar projects in PGE service area. There is currently 9.7 MW available to non-carveouteligible projects in PGE, and this number has been unchanged since the program's Second Offering was made available this last winter. At this time, PA is not aware of enough project capacity in development to make use of this available capacity. Because there are no waitlisted projects available to make use of any newly-freed capacity, there is no benefit to the program or to participants in not granting flexibility to these projects provided that they continue to make adequate progress towards achieving commercial operations.

Solar Town recently began recruiting customers for their projects and reports that they are prepared to begin construction on their projects pending the items described above. The PA supports granting a six-month extension of the projects' certification deadlines, provided that they demonstrate marked progress in the next six months on development and customer recruitment.

### **Attachments Included**



The Oregon Community Solar Program Administrator (PA) has reviewed the amendment request of the project described below and recommends that the Certification deadline be extended by 6 months.

# **Project Information**

Project ID: PGE-2020-17 Project Name: Clayfield Solar Project Manager: Solar Town Subscription Manager: Solar Town Utility Service Area: PGE Project Site Address: 23741 S Springwater Rd. Project Size (kW-AC): 2,565 Carveout-eligible: No Current Program Status and Date Achieved: Pre-certified, 7/17/20

### **Project Description**

Clayfield Solar is a 2,565 kW-AC project located in Estacada, Oregon, in Clackamas County. Solar Town has not contracted with a subscription manager.

#### **Review Summary**

**Date Review Completed:** 10/10/22 **Nature of the Amendment Request:** Extend Certification Deadline **PA Recommendation:** Approve

#### **Review Notes**

Current Certification Deadline: January 17, 2023

### Recommended Certification Deadline: July 17, 2023

Clayfield Solar is one of four Tier 1 projects managed by Solar Town in PGE service area. The project had an original certification deadline of January 17, 2022, and has been granted two sixmonth extensions and has a current certification deadline of January 17, 2023. The first extension was due to industry disruption associated with the COVID-19 pandemic, and the second was due to supply chain disruption related to tariffs on imported panels. The PA viewed both of these factors as valid causes to support certification extensions for all projects that requested this.

Solar Town has requested an additional six-month extension. The project explains that they need time to make changes to their development plans to accommodate changes to the federal investment tax credit that are included in the recently-passed Inflation Reduction Act. The project also notes that an extension would allow them to delay primary construction until after the rainy season. The PA notes that both of these factors may prove valid, but does not recommend the Commission grant an additional series of project extensions related to these factors without further due diligence.

However, the PA notes that there is currently not a shortage of program capacity for non-carveout community solar projects in PGE service area. There is currently 9.7 MW available to non-carveouteligible projects in PGE, and this number has been unchanged since the program's Second Offering was made available this last winter. At this time, PA is not aware of enough project capacity in development to make use of this available capacity. Because there are no waitlisted projects available to make use of any newly-freed capacity, there is no benefit to the program or to participants in not granting flexibility to these projects provided that they continue to make adequate progress towards achieving commercial operations.

Solar Town recently began recruiting customers for their projects and reports that they are prepared to begin construction on their projects pending the items described above. The PA supports granting a six-month extension of the projects' certification deadlines, provided that they demonstrate marked progress in the next six months on development and customer recruitment.

### **Attachments Included**



The Oregon Community Solar Program Administrator (PA) has reviewed the amendment request of the project described below and recommends that the Certification deadline be extended by 6 months.

# **Project Information**

Project ID: PGE-2020-15 Project Name: Belvedere Solar Project Manager: Solar Town Subscription Manager: Solar Town Utility Service Area: PGE Project Site Address: 9526-9530 Mt Angel Highway NE Project Size (kW-AC): 2,970 Carveout-eligible: No Current Program Status and Date Achieved: Pre-certified, 8/7/20

#### **Project Description**

Belvedere Solar is a 2,970 kW-AC project located in Mt. Angel, Oregon, in Marion County. Solar Town has not contracted with a subscription manager.

#### **Review Summary**

**Date Review Completed:** 10/10/22 **Nature of the Amendment Request:** Extend Certification Deadline **PA Recommendation:** Approve

#### **Review Notes**

Current Certification Deadline: February 7, 2023

### Recommended Certification Deadline: August 7, 2023

Belvedere Solar is one of four Tier 1 projects managed by Solar Town in PGE service area. The project had an original certification deadline of February 7, 2022, which was extended by six months to August 7, 2022 due to COVID-19 related market disruption.

Solar Town has requested that all four of their Tier 1 projects receive a six-month extension of their certification deadlines. Solar Town manages four Tier 1 projects and two Tier 2 projects. It is the PA's understanding that Solar Town will be partnering with a Subscription Manager to assist with recruitment and ongoing customer management prior to project Certification.

The projects cite uncertainty and supply chain issues caused by the US Department of Commerce investigation into imported solar panels from certain countries, which has caused significant disruption in the domestic solar industry. The PA concurs that this investigation has led to great challenges for developers in securing and installing solar modules, and that in the current situation project managers may be unable to meet their certification and operational deadlines due to unforeseen circumstances beyond their control. While the Federal government has recently suspended tariff penalties related to this investigation and this is anticipated to ease supply chain

challenges, the PA agrees that this project's timelines have been reasonably impacted by the disruption.

The PA has previously recommended granting six-month extensions to projects that were unable to meet certification deadlines related to COVID-19 delays and shutdowns. The PA recognizes the current circumstances would similarly warrant extensions of certification deadlines.

Solar Town is in good standing within the program and has shown efforts in recruitment and project development. Because of this, the PA supports extending the certification deadline of these four projects by six months.

# **Attachments Included**

10/5/2022

Oregon Community Solar Program c/o Program Administrator

Re: Request for Extension of Time to Achieve Certification

Dear Program Administrator,

We are writing on behalf of Solar Town, LLC, a registered Project Manager in the Oregon Community Solar Program (the "CSP"). The Project Manager is developing four projects that are pre-certified in the CSP, each of which is seeking a six-month extension of time to achieve certification. The four projects are:

	Date Pre- Certified	Existing Certification Deadline	Requested Extension
Belvedere Solar, LLC	August 7, 2020	February 7, 2023	Six Months
Clayfield Solar, LLC	July 17, 2020	January 17, 2023	Six Months
Dover Solar, LLC	July 1, 2020	January 1, 2023	Six Months
Manchester Solar, LLC	July 1, 2020	January 1, 2023	Six Months

OAR 860-088-0040(5) provides that "[a] project remains pre-certified for a period of 18 months, unless granted an extension by Commission order." The rules do not address extensions, but the CSP *Program Implementation Manual* (the "PIM") indicates that "requests to extend a Project's Certification deadline[] are considered amendments to a Project's Pre-Certification."<sup>1</sup> Section 4.7.4 of the PIM provides the following guidance:

Major revisions require the submission of a written request. This request is submitted through the Community Solar Program Platform and accompanies the details of the proposed revision.

The written request for major revisions should detail the Project's progress, the reasons for the requested change and, in the case of extension requests, a realistic timeline for the completion of Certification requirements and the achievement of commercial operation.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> PIM at 68.

<sup>&</sup>lt;sup>2</sup> PIM at 70.

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In brief, these four projects have all made substantial progress toward certification and are expected to succeed. As of the date of this letter, the Projects have been subscribed at the following levels.

Subscription Status	kW-AC Subscribed	Total % of Project Subscribed
Belvedere Solar, LLC	1,384	46%
Clayfield Solar, LLC	1,026	40%
Dover Solar, LLC	792	40%
Manchester Solar, LLC	0	0%

The four projects have also started the process of subscribing low-income customers and are reviewing the opportunity of subscribing the projects targeting 50% of low-income subscribers.

President Joe Biden signed the Inflation Reduction Act of 2022 into law on Aug. 16th.With the recent passage of the Inflation Reduction Act and its adjustments to the Investment Tax Credits (ITC), we are finding solutions to comply with prevailing wage and apprenticeship requirements along with local content for material to maintain the ITC at a financeable level at a minimum of 30%. We are currently working through the planning of the projects and procurement of material and labor is still an issue. This planning and coordinating of labor for the apprenticeship requirements and local material is shifting the construction dates into the rainy season here in Oregon, which isn't conducive to on time construction and local permitting restrictions to activity on construction sites during this period. Due to this, we are requesting an extension of the Certification date for the Projects for a period of 6-months.

### The Four Projects Have Made Good Progress

The Projects are ready for construction and upon resolving the procurement of material and labor and how it affects construction during the rainy season, will begin work on site.

#### Six-Month Extensions Would Provide a Reasonable Amount of Time for Development

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We recognize that we do not have perfect information at this time. However, based on the information available, we are optimistic that six-month extensions to achieve certification will enable all four projects to meet CSP deadlines. This understanding is based in part on our understanding that projects have up to six months to complete interconnection and achieve commercial operations after being certified.<sup>3</sup> If we encounter additional unexpected delays, we may need to request further extensions in the future.

We respectfully request that the Commission grant the requested extensions for all four projects.

Sincerely,

Jack Lee Solar Town LLC