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2	BEFORE THE PUBLIC UTILITY COMMISSION		
3	OF OREGON		
4	UM 2032		
5	In the Matter of	STAFF'S PROPOSED	
6	PUBLIC UTILITY COMISSION OF OREGON,	ISSUES LIST	
7 8	Investigation into the Treatment of Network Upgrade Costs for Qualifying Facilities.		
9	Background		
10	At the July 30, 2019 public meeting, Staff presented its recommendation to open several		
11	different investigations regarding the implementation of PURPA, including an investigation into		
12	the appropriate cost allocation of interconnection-related Network Upgrades for qualifying		
13	facilities (QFs). During the meeting, stakeholders asked the Commission to expand the scope of		
14	the investigation into the cost allocation of Network Upgrades to include additional issues such		
15	as whether utilities should be required to allow generators to hire third parties to conduct		
16	interconnection studies and to build Network Upgrades. After some discussion the Commission		
17	ordered:		
18	The Administrative Hearings Division shall consider, following a		
19 prehearing conference and after considering recommendations from the parties, whether the scope of the investigation into the treatment of		vestigation into the treatment of	
20	network upgrade costs for QFs should number of additional, discrete issues rel		
21	Staff and parties to Docket No. UM 2032 have conferred regarding the appropriate scope		
22	of this docket and have not reached agreement.	Instead the parties agreed that on April 27, 2020,	
23	Staff will submit a proposed issues list to the A	dministrative Law Judge and parties will file	
24	comments regarding their recommendations for	the scope of the investigation on May 4, 2020.	
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• -	¹ In the Matter of the Oregon Public Utility Con	nmission Request to Adopt a Scope and Process	

¹ In the Matter of the Oregon Public Utility Commission Request to Adopt a Scope and Process for the Investigation into PURPA Implementation (Docket No. UM 2000); Order No. 19-254.

- 1 Staff anticipates that the ALJ will hold a prehearing conference to consider the scope of the
- 2 investigation and the procedural schedule on May 18, 2020.

³ **Proposed Issues List**

- 4 Staff recommends limiting the initial phase of this docket to the following questions as
- 5 Staff recommended to the Commission in July 2019
- 6 1. Who should be required to pay for Network Upgrades necessary to interconnect the QF to the host utility?
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- 2. Should on-system QFs be required to interconnect to the host utility with Network Resource Interconnection Service (NRIS) or should QFs have the option to interconnect with Energy Resource Interconnection Service (ERIS) or an interconnection service similar to ERIS?
- If the answer to Issue No. 1 is that users and beneficiaries of Network Upgrades, (which typically are primarily utility customers), should pay for the Network Upgrades necessary to interconnect the QF to the host utility, how should that policy be implemented? For example, should utility customers, and other beneficiaries and/or users, fund the cost of the Network Upgrades upfront or should the QF provide the funding for the Network Upgrade subject to reimbursement from utility customers? Should the QF, utility customers, and other beneficiaries and users, if any, share the costs of Network Upgrades?
- 15 Staff recognizes that the following issues identified by the Renewable Energy Coalition
- 16 (REC), the Community Renewable Energy Association (CREA), and other intervenors are
- 17 appropriate to include in a general investigation of interconnection process and policies.
- 18 1. What are the appropriate circumstances under which an Interconnection
- 19 Customer should be provided an option to build (or hire third parties to build) Network
- 20 Upgrades?
- 2. What are the appropriate circumstances under which an Interconnection
- 22 Customer should have an opportunity to hire third parties to perform Interconnection
- 23 Studies?
- 24 3. What is the appropriate process through which an Interconnection Customer
- 25 may challenge utility cost estimates and propose alternatives?
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4. In what circumstances should identified transmission upgrades should be
reviewed using power flow analysis to confirm that the upgrades are necessary and
prudently designed and sized.

4 Staff does not recommend investigating the additional issues identified by the QFs 5 in the initial phase of Docket No. UM 2032. Instead, Staff believes the issues identified by the QFs are appropriately addressed in a broader investigation of interconnection issues 6 that is not tied to the timeline to resolve the specific Network Upgrade issues. The 7 questions raised by the QFs are technical and of interest to all interconnection customers 8 9 subject to the Commission's jurisdiction, including Community Solar Program projects and 10 net metering customers. Staff does not believe it is appropriate to incorporate these issues into this narrow investigation of how costs of Network Upgrades for QFs should be 11 12 allocated.

Staff anticipates recommending that the Commission open a general investigation into interconnection process and policies relatively soon. However, Staff commits that if the general investigation is not opened prior to the resolution of the issues identified by Staff in this docket, Staff will not object to considering the issues identified by the QFs in a second phase of this docket.

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19	DATED this 27th day of April 2020.	
20		Respectfully submitted,
21		ELLEN F. ROSENBLUM Attorney General
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23		/s/ Stephanie Andrus
24		Stephanie Andrus, OSB # 925123 Sr. Assistant Attorney General
25		Of Attorneys for Staff of the Public Utility Commission of Oregon
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