

ORDER NO. 11 374

ENTERED SEP 27 2011

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1538

In the Matter of

TOWN OF LAKEVIEW,

Request for Waiver of 12-Month
Installation Requirement
(OAR 860-084-0210 (1))

ORDER

DISPOSITION: APPLICATION DENIED

On September 6, 2011, the Town of Lakeview filed an application with the Public Utility Commission of Oregon (Commission) under OAR 860-084-0210 (1) requesting a waiver of the 12 month installation requirement.

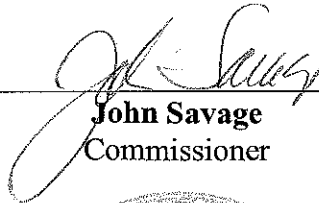
A full description of the filing, its procedural history, and Staff's recommendation are contained in the Staff Report, attached as Appendix A and incorporated by reference.

At its Public Meeting on September 20, 2011, the Commission adopted Staff's recommendation to deny the request for waiver.

ORDER

IT IS ORDERED that the Town of Lakeview's request for waiver of the 12-month installation requirement for the proposed Solar Photovoltaic system is denied.

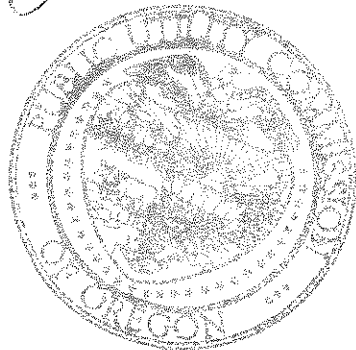
Made, entered, and effective SEP 27 2011.



John Savage
Commissioner



Susan K. Ackerman
Commissioner



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

ITEM NO. 8

PUBLIC UTILITY COMMISSION OF OREGON
 STAFF REPORT
 PUBLIC MEETING DATE: September 20, 2011

REGULAR X CONSENT _____ EFFECTIVE DATE September 20, 2011

DATE: September 12, 2011

TO: Public Utility Commission

FROM: Moshrek Sobhy *MS*

THROUGH: *MGP* Lee Sparling, *MS* Maury Galbraith, and *MGT* Lori Koho *LK*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No.UM 1538)
 Request by the Town of Lakeview for a waiver of the 12-month solar system installation requirement pursuant to OAR 860-084-0210 (1).

STAFF RECOMMENDATION:

Staff recommends the Commission deny the Town of Lakeview's waiver request.

DISCUSSION:

The Town of Lakeview (Lakeview or Applicant) was awarded capacity reservations for two 9.9 kW Solar Photovoltaic (SPV) systems under the Solar Photovoltaic Pilot Program (Pilot). Lakeview states that it is not going to install the systems by October 6, 2011, which is the 12-month installation requirement pursuant to OAR 860-084-0210(1). Applicant is requesting a waiver and a three-month extension to allow for the installation of its two proposed SPV systems. In support of its request, Lakeview states the following:

- Lakeview did not have financial resources available in its 2010-2011 Budget to install the proposed SPV systems within the 12-month installation requirement.
- Lakeview focused its limited staff resources for the past year on development of a geothermal heating system that will supply heat to five local schools and a publicly owned hospital.
- Lakeview learned that it must initiate a formal request for proposals to meet the requirements of public contracting rules.

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September 12, 2011
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OAR 860-084-0000(3) provides:

"The Commission may waive any of the rules contained in Division 084 for good cause."

Applicant states that its "good cause" is limited staff and financial resources as well as constraints of public contracting rules. In Staff's opinion, a "good cause" is established when the waiver applicant demonstrates their commitment to install the system within the original 12-month installation requirement but is unable to meet the deadline due to factors not under their control.

In order to find a good cause in solar waiver requests, applicants should provide information of the activities they have taken since the capacity reservation was awarded. Examples include, but are not limited to, securing a source of financing for the project, preparing engineering and system plans, applying for and/or obtaining required permits from regulatory bodies, incurring the expenses of ordering system parts and/or construction activities, and following the process of soliciting and awarding public contracts for the installation of the system. Lakeview did not provide information to support a good cause for the waiver.

Based on this information, Staff recommends denial of Lakeview's waiver request.

PROPOSED COMMISSION MOTION:

The Town of Lakeview's request for waiver of the 12-month installation requirement for the installation of SPV systems be denied.

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