

ORDER NO. 11 405

ENTERED OCT 10 2011

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1538

In the Matter of

NATHAN LEVIN,

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

ORDER

DISPOSITION: APPLICATION DENIED

On September 19, 2011, Nathan Levin filed an application with the Public Utility Commission of Oregon (Commission) under OAR 860-084-0210 (1) requesting a waiver of the 12-month solar system installation requirement.

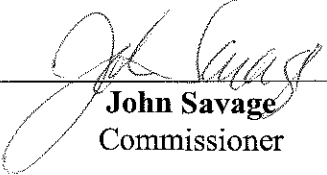
A full description of the filing, its procedural history, and Staff's recommendation are contained in the Staff Report, attached as Appendix A and incorporated by reference.

At its Public Meeting on October 4, 2011, the Commission adopted Staff's recommendation to deny the request for waiver.

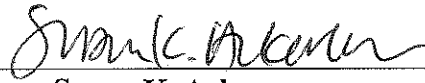
ORDER

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

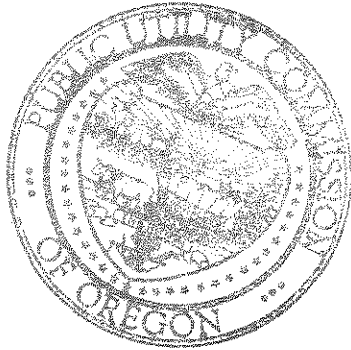
Made, entered, and effective OCT 10 2011



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. 6

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 4, 2011

REGULAR X CONSENT _____ EFFECTIVE DATE October 4, 2011

DATE: September 27, 2011

TO: Public Utility Commission

FROM: Moshrek Sobhy MS

THROUGH: Lee Sparling, Maury Galbraith, and Lori Koho LK

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No.UM 1538)
Request by Nathan Levin 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 waiver request by Nathan Levin.

DISCUSSION:

On September 19, 2011, Nathan Levin (Applicant) requested a waiver of the 12-month installation requirement and a four-month extension to install three Solar Photovoltaic (SPV) systems at his commercial property located at 2710 Pringle Road in Salem, Oregon. Portland General Electric (PGE) awarded capacity reservation for the three systems in October 2010. Pursuant to OAR 860-084-0210(1), the 12-month installation requirement expires October 15, 2011. Mr. Levin is requesting an extension of the deadline to February 15, 2012.

The following is a summary of the information provided by Mr. Levin:

- Applicant states that he was unable to raise the necessary capital to install the proposed systems due to the downturn in the commercial real estate market. During the last year Mr. Levin experienced a very high vacancy rate.
- The applicable volumetric incentive rate (VIR) under the current capacity reservation would add value to his tenants by reducing their operating expenses.
- The most recently approved VIR would not be financially or economically feasible for Mr. Levin.

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September 28, 2011
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- REC Solar, the projects' solar contractor, prepared the design plans for the systems but the permit applications to install the systems have not been filed due to the lack of funding.

Mr. Levin also explained that there are two options he is currently pursuing, which would enable him to provide funds for the proposed systems:

- A reduction in the vacancy rate, which would provide him with more cash flow to move forward with the installation, or
- Liquidating some of his other investments, which would allow him to finance the installation from the proceeds of such sales.

Mr. Levin believes that the four-month extension would provide him with the needed time to complete the project.

OAR 860-084-0000(3) provides:

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

In Staff's opinion, securing the funding source or method of the proposed systems should be largely determined when Applicant decided to participate in the Solar Photovoltaic Pilot Program. Although the impact of the economic conditions may vary from one individual or one business to another, these conditions have been persistent for the last three years. Staff is not persuaded that this information supports "good cause" for a waiver and recommends denial.

PROPOSED COMMISSION MOTION:

Nathan Levin's request for waiver of the 12-month installation requirement be denied.

UM 1538. NathanLevin