

ORDER NO. 15 089

ENTERED MAR 24 2015

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1538

In the Matter of

NEIL KELLY,

Request for Waiver of the 12-month Solar  
Photovoltaic System Installation Requirement  
under OAR 860-084-0210(1).

ORDER

**DISPOSITION: STAFF'S RECOMMENDATION ADOPTED**

At its public meeting on March 24, 2015, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



*Becky L. Beier*

**Becky L. Beier**  
Commission Secretary

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.

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: March 24, 2015**

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE March 24, 2015

**DATE:** March 13, 2015

**TO:** Public Utility Commission

**FROM:** Michael Breish 

**THROUGH:** Jason Eisdorfer and Aster Adams 

**SUBJECT:** OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 1538) Request by Neil Kelly for a waiver of the 12-month solar photovoltaic system installation requirement set forth in OAR 860-084-0210(1).

**STAFF RECOMMENDATION:**

Staff recommends the Commission grant the request by Neil Kelly on behalf of their customer to waive the 12-month deadline to install a solar photovoltaic (SPV) system under Pacific Power's Solar Photovoltaic Pilot Program by an additional six months, to October 17, 2015.

**DISCUSSION:**

Issue

Neil Kelly, a solar contractor, requests an extension for a SPV system that the firm is designing and planning to install at a condominium complex located in Portland. The project has a reserved spot in Pacific Power's Oregon Solar Incentive Program that was secured on April 17, 2014. All required documentation has been submitted, financing is secure and the electrical portion of the system has been designed. Issues stemming from the age of the building, which may lead to a historical classification by the city; permitting and the multiple parties involved in the ownership and residency of the building have delayed the project, causing Neil Kelly to determine the project will not be completed by the April 17, 2015 deadline. The Commission received this request on February 26, 2015. Neil Kelly is requesting a six month extension, which would result in a project completion date of October 17, 2015.

Neil Kelly, UM 1538  
March 13, 2015  
Page 2

### Rule

The applicable rule is OAR 860-084-0210(1), which states that "a capacity reservation expires ... if the system has not been installed within twelve months of the reservation start date, unless a waiver is granted under OAR 860-084-0000." The evaluation criteria set forth in OAR 860-084-0000(3) for waiver of Division 84 rules is "good cause shown." The Commission has discretion to determine what constitutes "good cause."

### Analysis and Recommendation

Neil Kelly explained both in the filing and over the phone that the nature of the building has contributed to the delay of the project. First, the building was constructed in the nineteenth century, which triggers a special review process in the city. Neil Kelly must conduct engineering and secure a permit to satisfy the city's requirements assigned to projects for historical buildings. This additional requirement will cause approximately a six week delay that was not originally anticipated.

Second, scheduling with the tenants of the property in order to conduct the engineering review necessary to secure the aforementioned permit has proceeded slowly due to limited availability and communication troubles.

Third, planning and scheduling is further hindered by the multiple owners of the property. Neil Kelly explained that decisions take more time than anticipated because of the number of people involved in the process.

Finally, Pacific Power informed Neil Kelly well into the planning process that the SPV's production meter needs to be located behind a dryer, which requires additional time to relocate and install the requisite infrastructure.

Despite these delays, Neil Kelly is proceeding with the design of the project and is preparing for the engineering review; a completed electrical schematic was included in the filing as evidence of the progress the developer has made. The developer is currently scheduling with tenants and the owners and told Staff that the engineering should be completed in the coming weeks. Additionally, Neil Kelly has 50 percent of the financing already in possession and the firm's customer has the remainder already secured for delivery upon completion of the project. Components for the SPV will be sourced from SolarWorld, which is located in Hillsboro, Oregon; this should facilitate completion when the time for installation arrives.

In analyzing for "good cause," Staff's primary considerations were the ongoing planning of the SPV system, the secured financing, and the thorough and candid explanation provided by Neil Kelly.

Neil Kelly, UM 1538  
March 13, 2015  
Page 3

Based on this analysis, Staff recommends the extension be granted.

**PROPOSED COMMISSION MOTION:**

The request by Neil Kelly to waive the 12-month installation requirement for a SPV system under Pacific Power's Oregon Solar Incentive Program be granted, and the deadline extended to October 17, 2015.

Ca7-UM 1538 Neil Kelly waiver request