

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 2322

In the Matter of

PILOT ROCK SOLAR 1, LLC, an Oregon  
limited liability company; PILOT ROCK  
SOLAR 2, LLC, an Oregon limited  
liability company; TUTUILLA SOLAR,  
LLC, an Oregon limited liability company;  
BUCKAROO SOLAR 1, LLC, an Oregon  
limited liability company; and  
BUCKAROO SOLAR 2, LLC; an Oregon  
limited liability company;

Complainants,

vs.

PACIFICORP, dba PACIFIC POWER, an  
Oregon corporation,

Defendant,

Pursuant to ORS 756.500.

ORDER

**DISPOSITION: STAFF'S PROPOSAL ADOPTED**

In this order, we adopt on a non-precedential basis Staff of the Oregon Public Utility Commission's proposal to resolve interconnection issues for the Pilot Rock Solar 1 (PRS 1) and Pilot Rock Solar 2 (PRS 2) projects, summarized in Appendix A attached to this order.

**I. BACKGROUND AND PROCEDURAL HISTORY**

On March 4, 2024, five limited liability corporations, each wholly owned by Sunthrust Energy LLC<sup>1</sup> and developing a community solar project, filed interconnection complaints against PacifiCorp, dba Pacific Power.

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<sup>1</sup> See Defendant First Amended Complaint at n 1 (Apr. 17, 2024) (describing Sunthrust's ownership of Complainants Pilot Rock 1, Pilot Rock Solar 2, Tutuilla Solar, Buckaroo Solar 1, and Buckaroo Solar 2).

On November 1, 2024, we entered an order requiring PacifiCorp to remove costs due to elements associated with Direct Transfer Trip from its interconnection engineering requirements from Interconnection Agreements (IAs) for all projects associated with the complaint and directing that Staff monitor and review monthly interconnection progress for the projects, and report back to the Commission as appropriate. We left open the possibility of further action in the docket where warranted.

After issuance of the order, PacifiCorp revised IAs for the PRS 1 and PRS 2 generating facilities, resulting in issues to resolve related to revised engineering and interconnections costs.

On March 21, 2025, Staff filed a proposal to resolve the parties' dispute and provide a feasible path forward for PRS 1 and PRS 2.

## **II. DISCUSSION**

Staff states that its proposal is based on the unique factual circumstances presented by these projects. Our decision accepting Staff's proposal is similarly based on those unique factors and we emphasize that we consider it to be non-precedential.

The proposal responds to direction in our prior order for parties to develop a cost-effective solution to any increased risks the projects create on PacifiCorp's system and provides for installation of three grounding banks with relays at the generation projects and sectionalizers at the project's line extension tap pole.

Interconnection costs assigned to Sunthurst are estimated at \$557,960, representing costs incurred to date and costs for PRS 1 and PRS 2 interconnection and substation upgrades. The proposal acknowledges Sunthurst's prior \$99,500 payment and requires Sunthurst to make progress payments with the first due before interconnection work recommences and the second due prior to receiving authorization to operate at reduced capacity. A one-time, non-precedential exception to interconnection cost allocation in OAR 860-082-0035(3), assigns \$350,404 to PacifiCorp's Oregon retail customers for communication equipment.

The proposal establishes the ability of the projects to operate at a reduced capacity of 1.3 MW-AC no later than September 1, 2025, and requires PacifiCorp to complete all non-substation upgrades prior to this date. Completion of PRS 1 and PRS 2

interconnection, including substation upgrades, is required no later than December 19, 2025.

We reviewed the proposal provided by Staff. We find that the proposal is a reasonable resolution of the issues specifically associated with PRS 1 and PRS 2. We accept the engineering terms proposed by Staff as a viable solution to address increased system risk posed by the projects.

Under these unique factual circumstances and considering the sizable community solar capacity PRS 1 and PRS 2 represent in PacifiCorp's territory, we agree with Staff that a one-time exception to our interconnection cost allocation rules is justified.

Furthermore, we accept that the proposed schedule for progress payments and interconnection activities appropriately balances the needs of the projects to become operational with the utility's need for prompt payment of invoiced IA costs.

We expect that the 90-day reports on PRS 1 and PRS 2 interconnection progress in this docket, along with the monthly progress reports on community solar project interconnections in docket UM 1930,<sup>2</sup> will facilitate a more in-depth review of PacifiCorp's interconnection of projects in the community solar program.

### **III. ORDER**

IT IS ORDERED that:

1. The motion to supplement the record filed by Staff of the Oregon Public Utility Commission is granted.
2. The proposal by Staff of the Oregon Public Utility Commission, summarized in Appendix A, is adopted.
3. A partial waiver of OAR 860-082-0035(3) is granted, assigning Pilot Rock Solar 1 and Pilot Rock Solar 2 communication costs to Oregon retail customers of PacifiCorp, dba Pacific Power.

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<sup>2</sup> See Order No. 24-402 (Nov. 1, 2024) (directing PacifiCorp to submit monthly progress reports detailing the status of their community solar project interconnections in docket UM 1930).

4. PacifiCorp, dba Pacific Power, is required to submit progress reports on Pilot Rock Solar 1 and Pilot Rock Solar 2 until further notice.

Made, entered, and effective Apr 09 2025.



**Letha Tawney**  
Commissioner



**Les Perkins**  
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.

## **SUMMARY OF STAFF PROPOSAL**

This document summarizes Staff's proposal addressing interconnection agreement disputes between the Pilot Rock Solar 1 (PRS 1) and Pilot Rock Solar 2 (PRS 2) generating facilities, collectively the Pilot Rock Solar projects, and PacifiCorp, dba Pacific Power.

This proposal only applies to interconnection of PRS 1 and PRS 2, based on the specific facts of those projects. This proposal is inapplicable to any other existing or future interconnection agreements and does not represent Staff or Commission policy as it relates to the Community Solar Program, PURPA, or interconnection generally.

### **Engineering**

#### Grounding and protection:

The following equipment will be installed at PRS 1 and PRS 2 sites:

1. Three grounding banks, one each on the low voltage side of service transformers.
2. One relay at each grounding bank that control the main breakers in the projects' low-voltage switchgear. The relays will be owned by the projects. PacifiCorp will coordinate with the Pilot Rock Solar projects to ensure compliant settings.
3. Sectionalizers in lieu of recloser will be added at point of interconnection. Additional fusing will be added at project sites, with the understanding that service quality may be diminished as compared to recloser. This shall not prevent a recloser from being installed later to serve future customers, but not at the projects' expense.

### **Assignment of Costs**

#### Itemized costs:

Estimated total costs of \$557,960 will be assigned to PRS 1 and PRS 2 for interconnection, which includes:

4. \$98,634 of costs incurred to date
5. \$459,326 of estimated remaining project costs, with \$100,000 of this amount required as a progress payment before work on interconnection re-commences

#### Prior payments

6. \$99,500 in interconnection payments has already been made by the projects, which will be applied to the overall cost of the interconnection.

#### Communication costs

7. \$350,404 of costs related to communication equipment will be allocated to PacifiCorp's Oregon retail customers.

#### Payment of actual costs

8. Sunthurst will pay all actual interconnection and substation upgrade costs, less \$350,404 of costs related to communication equipment discussed above.

### **Payment of Costs**

#### Progress payment:

9. Immediately following execution of amended interconnection agreements, the Pilot Rock Solar projects will make a progress payment of \$100,000.
10. Upon receipt of payment from the Pilot Rock Solar projects, PacifiCorp shall recommence work on the interconnection in accordance with the milestones identified in the amended interconnection agreements.

#### Payment prior to limited operation

11. Upon completion of all interconnection facilities/upgrades other than substation upgrades and concurrent with issuing an initial permission to operate at a reduced capacity letter, PacifiCorp will provide an invoice for \$100,000.
12. The Pilot Rock Projects must pay the invoice sent with the initial permission to operate at a reduced capacity letter within 60 days of receipt.

#### Payment prior to operation at full capacity

13. Upon completion of all interconnection upgrades PacifiCorp will provide an invoice for all interconnection costs incurred to date.
14. Following that, PacifiCorp will invoice Sunthurst monthly for actual costs incurred each month until final project costs are determined. PacifiCorp will send a final invoice once it has determined its final costs.
15. The Pilot Rock Solar projects must pay the costs of all invoices within 60 days of receipt.

#### Disconnection for non-payment

16. The Pilot Rock Solar projects will be disconnected if the projects fail to pay any amounts invoiced in accordance with the amounts and terms in this proposal and the amended interconnection agreements and will not be reconnected until all invoiced amounts are paid with interest calculated at the current Federal Energy Regulatory Commission interest rate.

### **Amended Interconnection Agreements**

17. Following issuance of a Commission order accepting this proposal, PacifiCorp will provide amended interconnection agreements for PRS 1 and PRS 2. The amended interconnection agreements will include updated milestones and requirements for operating at a reduced capacity.

#### Demonstration of ability to pay

18. The Pilot Rock Solar projects will provide PacifiCorp a demonstration of the ability to pay for the interconnection project costs with a proof of ability to pay

letter. The Pilot Rock Solar projects must provide the proof of ability to pay letter immediately following execution of amended interconnection agreements.

19. The proof of ability to pay letter must include a description of the Pilot Rock Project's access to sufficient funds to pay the estimated costs, sources of money, and an attestation that those funds shall not be used for any other purpose. The letter must include all relevant supporting documentation.

## **Interconnection Activities**

### **Interconnection Timelines**

20. PacifiCorp will use best efforts to complete all non-substation upgrades by September 1, 2025.
21. PacifiCorp will use best efforts to complete all interconnection facilities and/or system upgrades by December 19, 2025.

### **Cooperation towards interconnection**

22. The Pilot Rock Solar projects will engage and cooperate with PacifiCorp on design and construction of both parties' interconnection facilities and as outlined in the interconnection agreements, as necessary to enable PacifiCorp to meet the September 1, 2025, date.
23. Engagement and cooperation includes but is not limited to providing PacifiCorp all necessary easements, ensuring an access road for PacifiCorp's facilities, and constructing the projects' facilities to allow connection to PacifiCorp's facilities.

## **Project operation**

### **Limited operation**

24. The Pilot Rock Solar projects may commence operation prior to the completion of the required upgrades to the Pilot Rock substation with a maximum output from the combined PRS 1 and PRS 2 of 1.3 MW.
25. The Pilot Rock Solar projects must provide PacifiCorp a detailed technical proposal, including all settings and relevant drawings, for limiting the operation of the projects to 1.3 MW by June 6, 2025. Upon request, the projects will provide any additional detail in a timely manner, to facilitate PacifiCorp's decision on approval of the limited operation plan.
26. Upon acceptance of the Pilot Rock Solar projects' plan for limited operation, PacifiCorp will provide acknowledgment in writing of its approval for the projects to operate at 1.3 MW once all interconnection facilities have been placed in service.
27. Upon completion of all interconnection facilities and/or system upgrades, other than substation upgrades, PacifiCorp will issue an initial permission to operate at a reduced capacity letter to the projects. The Pilot Rock Solar projects may begin operating under the restrictions identified in amended interconnection agreements.

28. PacifiCorp will use best efforts complete all non-substation upgrades and provide a Permission for Limited Operation letter by September 1, 2025.
29. PacifiCorp will monitor, through its meter data, the output of the PRS 1 and PRS 2 projects during the limited operation period. Should PacifiCorp find that the projects' combined output exceeded 1.3 MW at any time, the projects will be disconnected from PacifiCorp's distribution system until all substation requirements are completed.
30. The Pilot Rock Solar projects are responsible for any liability arising from failure to operate its facilities in accordance with the initial permission to operate at a reduced capacity.

Operation at full capacity

31. Upon completion of the substation upgrade and confirmation of payment of any outstanding invoices, PacifiCorp shall issue to the PRS 1 and PRS 2 a final permission to operate at full capacity letter. Sunthurst retains the right to object to payments, and seek recovery of payments, following the payment of final invoices.