

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 631

In the Matter of

Rulemaking to Address Procedures, Terms,
and Conditions Associated with Qualifying
Facility Standard Contracts.

MEMORANDUM

At the October 21, 2021 Regular Public Meeting, the Commissioners adopted Staff's request to open a formal rulemaking and issue noticed of proposed rulemaking to adopt permanent rules addressing standard contracting procedures and terms.

Due to the complexity and scope of the rulemaking, we propose to address issues in sections, outlined below. Additionally, we propose the below schedule for consideration of the first group of issues. Should stakeholders have any comment, I request comment on this grouping of issues, and the initial schedule be filed in the docket no later than Friday, December 10, 2021.

Group 1: Overall Contract Process and Timelines

- New Rule #2 Eligibility for Standard Power Purchase Agreements (PPAs)
- New Rule #3 Process for Obtaining Standard Power Purchase Agreement (PPAs)
- OAR 860-029-0120 Standard Power Purchase Agreements (PPAs) (1)-(10), (19-20) – Commercial Operation Date (COD) Requirements, Qualifying Facility (QF) Status, Jurisdictional Disclaimer
- Applicability and Reasonableness Requirements
- Definitions as applicable

Group 2: Protections

- New Rule #5 Force Majeure
- New Rule #6 Default, Damages, and Termination
- OAR 860-029-0120 Standard Power Purchase Agreements (PPAs) (16)-(18) – Insurance and Security Requirements
- New Rule #1 Obligation for Costs to Accept Deliveries from Off-System Qualifying Facilities (QFs)
- Definitions as applicable

Group 3: Operational Obligations

- New Rule #4 Delivery and Purchase
- New Rule #7 Coordination between Qualifying Facilities (QFs) and Utilities

- OAR 860-029-0120 Standard Power Purchase Agreements (PPAs) (11)-(15) – Mechanical Availability Agreements (MAGs), Minimum Delivery Guarantees (MDGs), Incremental Upgrades
- Definitions as applicable

Group 1 Schedule:

<u>EVENT</u>	<u>DATE</u>
Initial Workshop	January 14, 2022
Issues for comment in preparation of Commission Workshop and/or Redline Proposal from AHD	January 21, 2022
Responsive Comments Due	February 11, 2022
Commission Workshop	February 17, 2022
Second Round of Comments Due	March 3, 2022
Final Proposal for Rules from AHD	March 18, 2022

Dated this 3rd day of December 2021, at Salem, Oregon.



Nolan Moser
Chief Administrative Law Judge