

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 16, 2020**

REGULAR CONSENT EFFECTIVE DATE _____ N/A _____

DATE: June 8, 2020

TO: Public Utility Commission

FROM: Natascha Smith

THROUGH: Bryan Conway, Michael Dougherty, JP Batmale, and Sarah Hall **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 1930)
Conditional Pre-Certification Extension of Timeline.

STAFF RECOMMENDATION:

The Oregon Public Utility Commission (OPUC or Commission) should extend the timeline for compliance with pre-certification conditions to August 31, 2020.

DISCUSSION:

Issue

Whether the Commission should accept the recommendation of Staff and the Program Administrator to extend the period for compliance for conditionally pre-certified Community Solar Projects.

Applicable Rule or Law

Section 22 of Senate Bill (SB) 1547, effective March 8, 2016, and codified in Oregon Revised Statute (ORS) 757.386, directs the Public Utility Commission of Oregon (Commission) to establish a community solar program (hereinafter referred to as "Program", or "CSP").

On June 29, 2017, the Commission adopted formal rules for Oregon's Community Solar Program under Oregon Administrative Rules (OAR) Division 88 of Chapter 860. OAR 860-088-0040 details the requirements for Project pre-certification.

In Order No. 20-076, the Commission adopted the process for conditional pre-certification.

Analysis

Background

The Commission granted conditional pre-certification to each of the projects listed below.¹ Pre-certification was made conditional, because while these projects met all pre-certification requirements outlined in the Program Implementation Manual (PIM), but each had an existing Qualifying Facility Power Purchase Agreement (PPA) with Portland General Electric (PGE), which raised practical barriers to the project's ability to operate as a Community Solar Project.

Project Name	Name of PM	Utility Territory	Project Size (kW-AC)	Status
Belvedere Solar	Sulus Solar LLC	PGE	2970	Conditionally Pre-certified (4/27/20)
Manchester Solar LLC	Solar Town	PGE	1800	Conditionally Pre-certified (4/27/20)
Clayfield Solar LLC	Solar Town	PGE	2565	Conditionally Pre-certified (4/27/20)
Dover Solar	Solar Town	PGE	1980	Conditionally Pre-certified (4/27/20)
Cosper Creek Solar, LLC	Conifer Community Energy 1, LLC	PGE	2500	Conditionally Pre-certified (4/27/20)
Sesqui-C Solar, LLC	Conifer Community Energy 3, LLC	PGE	2500	Conditionally Pre-certified (4/27/20)
Carnes Creek Solar, LLC	Conifer Community Energy 5, LLC	PGE	2500	Conditionally Pre-certified (4/27/20)
Sandy River Solar	SR PM, LLC	PGE	1850	Conditionally Pre-certified (4/27/20)
Fruitland Creek Solar	FC PM, LLC	PGE	1750	Conditionally Pre-certified (4/27/20)
Kaiser Creek Solar, LLC	Kaiser Creek Project Manager, LLC	PGE	2000	Conditionally Pre-certified (4/27/20)

¹ See Commission Order No 20-142, April 27, 2020; Commission Order No. 20-159, May 7, 2020.

Williams Acres	Neighborhood Power OR, LLC	PGE	2502	Conditionally Pre-certified (5/7/20)
Dunn Rd	Neighborhood Power OR, LLC	PGE	1848	Conditionally Pre-certified (5/7/20)
Mt Hope Solar	Neighborhood Power OR, LLC	PGE	2502	Conditionally Pre-certified (5/7/20)

The Commission granted conditional pre-certification to these Projects and imposed identical conditions.

1. Within six weeks of the Commission conditionally approving the Project for Pre-certification, the Project must terminate its existing Power Purchase Agreement with Portland General Electric. This period refers only to termination, not to the settlement of any damages stemming from early termination or breach of contract.
2. Project has terminated its PPA with PGE, the Project Manager may not enter into Participant contracts for subscription or ownership.
3. Until the Program Administrator has confirmed receipt of documentation that the Project has terminated its PPA with PGE, the Project will not be listed as Pre-certified on the Oregon Community Solar Program website and will not be included in the website's Project Finder.

During presentation of these Projects, Staff articulated that it would likely take longer than six weeks for PPA termination to occur, but that six weeks was an appropriate amount of time for the Program to better understand next steps for these Projects and return to the Commission with an informed recommendation.

Extension of Timeline for Conditional Pre-Certification Compliance

Staff now recommends an extension of the timeline for completion of the pre-certification conditions. The Projects and PGE reached a settlement for the resolution of the PPA issue. The settlement allows Project Managers 90 days from the point of Commission decision on Docket No. ADV 1112 in which to terminate their existing PPAs.² The Commission made its decision on Docket No. ADV 1112 on May 19, 2020. Based on this timeline, Projects affected by the settlement have until August 17, 2020, to terminate their existing PPAs. Staff believes it is appropriate to align conditional pre-certification requirements with the settlement agreement in this case to avoid confusion

² See UM 1930, PGE's Supplemental Filing of Advice No. 20-09, Schedule 136, May 15, 2020. Attachment A provides a copy of the settlement agreement.

and provide Project Managers sufficient time to exit their existing PPAs. Staff and the Program Administration team recommend allowing additional time for Project Managers to provide the Program Administrator proof of termination. Thus, Staff recommends extending the deadline for compliance with pre-certification conditions to **August 31, 2020**.

Conclusion

Staff and the Program Administrator recommend that the Commission extend the period for compliance for conditionally pre-certified Community Solar Projects.

PROPOSED COMMISSION MOTION:

Accept the recommendation of Staff and the Program Administrator to extend the timeline for conditional pre-certification compliance until August 31, 2020.