

PUC Pleadings

02/24/2020

For Public Meeting on Regular Agenda Item 4 for UM 1930

To PUC Chairperson Decker, Commissioner Tawney & Commissioner Thompson,

Our team along with PGE and others have recently submitted projects with existing QF PPAs to be considered into Oregon's new Community Solar Program ("Program"). We are asking the PUC Board to allow these projects to become Pre-Certified under the condition that we adjust the QF PPAs to conform to the new Program.

Starting on 2/15/2019 our team began active negotiations with PGE through Joe Barra to adjust QF PPAs to submit to the Program, these negotiations were abruptly halted on 5/16/2019 due to a change in approach at PGE. We have reached out to the QF Administrator and the PGE Program Manager to reopen these negotiations with the attached Notice Letter.

Given the rising cost of interconnection, lower renewable energy credits, lower investment tax credits and the new import tariffs on solar modules, inverters, steel and aluminum, QF projects are increasing difficult to make work. We believe these projects will be a great benefit in successfully launching the new Program and we look forward to working with PGE to adjust these projects to help the new Program.

Thank you for your consideration.

Stephen Gates
President, Neighborhood Power

February 20, 2020

Portland General Electric
Attn QF Contract Administration
121 Salmon St.
Portland, OR 97204

RE: Conditional Request for Mt. Hope Solar, Williams Acres Solar, Dunn Rd Solar & River Valley Solar QF PPAs for Community Solar

To QF Administrator,

As you may be aware, we have submitted the above mentioned solar projects for pre-certification into Oregon's new Community Solar Program ("Program"). These projects also have existing standard renewable power purchase agreements ("PPA") with Portland General Electric Company ("PGE") to sell power as a qualifying facility ("QF") under the Public Utility Regulatory Policies Act ("PURPA"). PGE has caused interconnection delays that have resulted in the projects failing to meet their schedule commercial operation dates, and PGE has increased prices beyond original estimates. These interconnection delays have resulted in fixed price period erosion. All these factors have resulted in the current QF PPAs no longer being viable.

We would like to make the conditional request that in the event these submitted projects are approved for certification and participation in the Program, that PGE work with us to get these projects into the Program. Here are a few potential options we could discuss:

1. Amend the current PPAs so that they apply only to unsubscribed energy and to convert it to a standard non-renewable fixed price solar contract that is in conformance with PGE's applicable Schedule 20 1 for power purchases from a QF and the Program rules.
2. Terminate the current PPA and subsequently enter into a new PPA for the sale of unsubscribed energy upon the project being pre-certified.
3. Amend some of the PPAs to allow PGE to be the project manager and purchase power from us at 20-year fixed price with PGE acquiring the renewable energy certificates.

The above options may be a suitable means for the sale of unsubscribed generation as referenced in the Program rules in OAR 860-088-0140. Additionally, it is my understanding given all the intent to cancel notices we have received from your office for our QF projects that PGE would like to terminate their PURPA PPAs whenever possible.

This letter serves as official notice of this conditional request per the notice provisions in Section 20.1 of the PPA. Please confirm receipt and provide a response promptly.

Thank you,

Stephen Gates,

Manager of RSP OR, LLC the Manager of Mt. Hope Solar, LLC, Williams Acres Solar, LLC, Dunn Rd Solar, LLC & River Valley Solar, LLC