BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1930

In the Matter of

PUBLIC UTILITY COMMISSION OF OREGON,

Community Solar Implementation.

COMMENTS OF THE RENEWABLE ENERGY COALITION ON STAFF'S PROPOSED CONDITIONAL PRECERTIFICATION PROCESS

I. INTRODUCTION

The Renewable Energy Coalition (the "Coalition") submits these comments regarding the recommendation by Oregon Public Utility Commission (the "Commission") Staff on the process for conditional pre-certification of Community Solar Program ("CSP" or the "Program") projects. The Coalition's members include small scale solar developers that are participating—or seeking to participate—in the CSP. As Staff noted, almost all of the projects seeking pre-certification in the Portland General Electric Company's ("PGE's") service territory are qualifying facilities ("QFs") under Public Utility Regulatory Policies Act ("PURPA") that currently hold a power purchase agreement ("PPA") with PGE. PGE has raised concerns that projects with PPAs should not be allowed to participate in the CSP. Staff recommends that the QFs be pre-certified but with the added condition that they terminate the PPAs within a six-week period.

The Coalition opposes Staff's recommendation that projects with executed PURPA PPAs should be conditionally pre-certified, and the Coalition instead recommends that these projects simply be pre-certified without condition. While a CSP project must not have a contract to sell the net output when it signs up subscribers, there is no requirement for a project not to have an executed PPA to become certified. As 47.4 MWs of the 54.5 MWs of the CSP applicants into PGE's program have executed PPAs, there is no point in "conditionally" pre-certifying them because PGE's program simply cannot work if these projects cannot participate. The Commission might as well "conditionally" certify the entire PGE CSP. Either these projects become pre-certified and there is a CSP, or they are not pre-certified and, thus, there is no Program.

If the Commission adopts Staff's proposal, then certain changes should be made to ensure that the CSP has a chance to succeed. Specifically, those include:

- The Commission should be clear that its conditions in this case are not CSP requirements but instead reflect the Commission's desire to protect the public perception of the CSP.
- The Commission should resolve all disputes related to any potential refusal by PGE to amend or terminate executed PPAs at the April 7, 2020 public meeting.
- The Commission should recognize six weeks may not be sufficient time to resolve all disputes, particularly if the Commission does not act on this issue and if PGE does not agree to terminate or amend the PPAs.
- If the Commission does not resolve issues related to projects with executed PPAs in April, then the Commission should commit to resolving any contested case proceedings in an expedited manner, which would likely require the six-week timeframe to be extended to three months.
- The Commission should direct PGE to agree to allow any CSP project to suspend the interconnection process pending resolution.

• Finally, the Commission should toll the 18-month timeframe for precertified projects to reach certification until this issue is resolved.

The Coalition urges the Commission to act promptly, in accordance with its obligation to the CSP as well as its obligation to uphold the policy of the State of Oregon, which is to "[i]ncrease the marketability of electric energy produced by qualifying facilities located throughout the state for the benefit of Oregon's citizens; and [c]reate a settled and uniform institutional climate for the qualifying facilities in Oregon."¹ The success of both goals is at risk for CSP projects.

The Coalition will address in separate comments in the near future: 1) how the utilities' CSP tariffs could be amended to avoid future disputes, comply with Oregon law and policies, and better ensure the program's success; 2) revisions to the utilities proposed CSP interconnection agreements; and 3) why the Commission should promptly direct PGE, and how PGE is legally obligated, to allow projects to amend or terminate their PPAs to participate in the CSP. The Commission should act expediently to resolve all remaining issues in this docket, as it threatens the viability of PGE's CSP.

II. COMMENTS

The Commission's first step in solving the problem associated with PGE raising roadblocks to PPA termination is not denying pre-certification to any project with an executed PPA. As an initial matter, the Coalition notes that the Coalition briefly addressed the possibility of a PPA dispute, in the context of PGE's submission of QF projects with executed PPAs into the CSP. The Coalition explained that for PGE to serve

¹ ORS 758.515.

as a project manager PGE would have required amendments to the PPAs with those projects. The Coalition supported PGE and CSP projects collaboratively working to amend their PPAs for PGE to become the project manager. Despite PGE showing creativity when itself sought to manage projects, PGE may be taking the opposite approach in its CSP tariff filing by denying QFs the ability to amend PPAs when the QFs want to serve as project manager.² PGE should do the right thing and meet the expectations of nearly the entire community solar development community by allowing projects to amend or terminate their PPAs. If PGE takes the position that it will refuse to do so (and effectively kill the CSP in its service territory), then the Commission should send a strong message that it expects PGE to allow projects with executed PPAs to terminate or amend their PPAs to participate in the CSP. At this time, the best way to send that message would be to pre-certify without condition all projects that meet the previously established criteria, which none of which prevent pre-certification for projects with executed contracts. PGE will be on notice that it needs to cooperate with the development community, as everyone with executed PPAs expected PGE would do.

A. Nearly the Entire Development Community Assumed that Most Pre-certified Projects Would Have Executed PURPA PPAs

The Coalition disagrees with a fundamental premise in Staff's Proposal and believes Staff is assuming that a breach of the QF PPAs will necessarily occur. Staff

² Coalition Comments on PGE Applications for Pre-Certification at 3, 9-12. PGE's position on whether CSP projects with executed PPAs can participate in the program remains unclear. PGE has been asked its position and to allow amendments and terminations, but the Coalition is not aware that PGE has clearly stated its position. Attachments A, B, C and D include communications with PGE on this topic.

states, "Having the contractual authority to sell a Project's power is one such foundational issue, because once a Project is pre-certified it is able to enroll Participants and sign contracts."³ The Coalition agrees that conflicting contractual rights would pose a problem, but no problem exists unless the rights actually conflict.

As the Coalition noted in prior comments, the QFs never intended for the contractual rights to conflict.⁴ The QFs have always understood that if they were precertified, they would need to terminate or amend the current PPAs before they would be able to approach potential subscribers. To do otherwise would be to breach their PPAs, and that was never their intention.

It is worth understanding why nearly all of PGE's CSP projects have executed PPAs. There are some projects which entered into PPAs fully expecting that they would be constructed and sell their net output as PURPA projects. Many of these projects have experienced significant interconnection issues, including delays, cost overruns, inaccurate studies, unreasonable obstacles, etc. These interconnection issues have harmed project economics by increasing the costs of project with more expensive interconnections, reducing project revenues (delays result in fewer contract years and fewer years of payments), and creating business uncertainty. It takes a developer with nerves of steel to sign an interconnection agreement with PGE and risk that the studies were accurately performed or that the costs will come close to budget. While PGE is the proximate cause of these interconnection issues, it is ultimately the Commission's fault that these projects

³ Staff Memorandum at 2 (Mar. 2, 2020).

⁴ Coalition Comments on PGE Applications for Pre-Certification at 10.

may be unable or barely able to be constructed under their current contracts because the Commission has ruled against the QF development community when they have asked for assistance.⁵ But for the Commission's decisions, many of these projects would not have needed to bid into the CSP.

⁵ The Commission ruled against the Coalition, the Northwest and Intermountain Power Producers Coalition ("NIPPC") and the Community Renewable Energy Association ("CREA") and rejected all of their interconnection proposals in this docket. Compare Joint Comments of NIPPC, CREA, and the Coalition on Proposals for Community Solar Interconnection (Sept. 13, 2019), Joint Comments of NIPPC, CREA, and the Coalition on Interconnection Proposals (Aug. 22, 2019), and Joint Comments of NIPPC, CREA, and the Coalition on the Draft Community Solar Interconnection Proposal (July 24, 2019), with Order No. 19-392 at Appendix A, 17-18. Commission ruled against Sandy River Solar and the Coalition in not allowing a QF to construct its own facilities even when such a request was reasonable. Sandy River Solar v. PGE, Docket No. UM 1967, Order No. 19-218 at 4-5, 26 (June 24, 2019). The Commission ruled against PNW Solar which sought to change its project sizes due to interconnection constraints. PGE v. PNW Solar, LLC, Docket No. UM 1894, Order No. 18-284 at 4-5 (Aug. 2, 2018); Docket No. UM 1894, Stipulated Facts for Cross Motions for Summary Judgment at P 6 (Mar. 16, 2018); Docket No. UM 1894, PNW Solar Cross Motion for Summary Judgment at 15, 19-20 (March 23, 2018) (explaining that projects need to change their size prior to commercial operations due to interconnection issues). While not applicable to PGE, the Commission ruled against the Coalition and CREA in their effort to have PacifiCorp use its Bonneville Power Administration ("BPA") transmission agreements instead of PacifiCorp imposing interconnection costs or purchasing unnecessary point to point transmission. See Investigation into OF Contracting and Pricing, Docket No. UM 1610, Order 18-181 at 1 (May 23, 2018) (closing docket, but without explanation, reference or otherwise addressing BPA transmission option in the order); Docket No. UM 1610, CREA/REC Response to PacifiCorp's Motion to Close Docket at 6-7 (March 30, 2017) (CREA/REC raising BPA transmission issue). The Commission ruled against Alfalfa Solar et al. when it concluded that the fifteen-year fixed price period started at contract execution rather than power deliveries. PGE v. Alfalfa Solar et al., Docket No. UM 1931, Order No. 19-255 at 9, 17-18 (Aug. 2, 2019). The Alfalfa Solar order means that dozens of QFs suddenly and unexpected lost 3-4 years of expected fixed prices, which is causing some projects to no longer be economic and need other opportunities to sell their power.

There is a second group of projects whose business model was based on entering into PURPA PPAs with the expectation that they would bid into the CSP. PURPA contracts are less favorable because they have lower prices and shorter terms (depending on their vintage, 11-15 years compared to 20 years for CSP projects). These projects with executed PPAs understood that PGE had stated that projects could terminate their PPAs without penalty, that PGE itself was taking aggressive actions to terminate PPAs, and PGE had previously allowed projects to terminate their PPAs. They entered into PURPA PPAs with the idea that, if they were not selected in PGE's CSP, then at least they would have a potentially viable PURPA contract that might allow them to be constructed. Essentially, the PURPA PPA was an insurance policy and fallback option. In addition to a lack of certainty regarding whether they would be selected in the CSP, these projects did not want to terminate their PPAs prior to seeking to participate in the CSP because keeping their PPAs may be important for the project developers to maintain their interconnection queue position, and to avoid market risk and exposure while the CSP developed.⁶

The importance of having a PPA for project development appears to have been underappreciated in this docket; however, the Coalition had believed that it was wellunderstood that the majority of pre-certified projects would likely hold PPAs. For instance, the Oregon Solar Energy Industry Association ("OSEIA") and the Coalition for Community Solar Access ("CCSA") provided comments specifically supporting the participation of non-utility owned projects with PPAs. OSEIA and CCSA noted that

⁶ Joint Comments of OSEIA and CCSA at 8 (Oct. 15, 2019).

these projects with PURPA PPAs are "a key element to the program's success."⁷ They recommended that "QF projects with existing PPAs with a utility be able to maintain that PPA until moving forward with a new PPA associated with unsubscribed generation (i.e., as part of the project's 'certification')."⁸ Thus, at least some stakeholders knew and expected non-utility owned projects seeking to participate in the CSP would likely be holding PPAs until they had certainty that they could participate in the CSP.

As Staff's memo recognizes, developers proceeded in the manner they did and considered having an executed PPA as a least-risk approach to ensure project viability, particularly in circumstances such as these where the CSP had limited capacity for interested developers. If a project does not get selected, achieve pre-certification, *and* achieve certification, it will not otherwise be developed unless it can rely on a PPA. Without certainty about the new CSP, developers need PURPA PPAs.

In fact, the Coalition believes that the most ideal result to the issue of what to do with projects with executed PPAs would be that those that are pre-certified should have conditional PPA amendments, rather than outright termination. The QFs entered PPAs to allow for the possibility that they do not succeed as CSP projects, which could happen for several different reasons. Getting into the queue did not ensure the projects would become pre-certified. Being pre-certified will not ensure that the projects reach certification. Until the projects are certified, then, there is value in allowing the developers to hold PPAs to manage risk.

⁷ Id.

⁸ *Id.*

Either a QF is entitled to a CSP PPA, or it is entitled to a standard PURPA PPA. Rather than have QFs terminate their PPA now, which put them in risk as they seek certification, and then execute a new PPA (either CSP or standard), the Coalition suggests that conditional amendments to the current PPAs be considered. First, if a QF is pre-certified, then an amendment should provide that a QF may market to subscribers without being in breach of the PPA. Second, if a QF is certified, then an amendment should provide that the PPA automatically adopts and integrates the terms of the approved CSP PPAs as superseding any conflicting language. The Coalition believes this result would be ideal, but the Coalition recognizes that ultimately the decision is up to the contracting parties and the Commission, which has asserted jurisdiction over standard PPAs.⁹

B. The Coalition Requests the Commission Provide Clarity on its Rules Regarding Conditional Pre-certification.

After PGE raised its concerns, the Program Administrator told the QFs that it was working with Commission Staff to determine next steps for the QFs' applications. The QFs understood this to mean that their projects would not move forward towards precertification, even though the projects would otherwise be ready to be presented to the Commission. In short, PGE appears to be proposing a new requirement for precertification.

⁹ E.g., PGE v. Pacific Northwest Solar, LLC, Docket No. UM 1894, Order No. 18-025 at 7 (Jan. 25, 2018) (finding the Commission has primary jurisdiction over PURPA PPAs).

While the QFs had always intended to terminate their PPAs if and when they were pre-certified, they were surprised by the suggestion that they need to do so in order to be pre-certified. As Staff notes, the statute, rules, and *Program Implementation Manual* lay out all of the requirements for pre-certification, and PPA termination is not a requirement.¹⁰ The QFs were dismayed that the ground had shifted beneath them. Regulatory shifts are bad for business. They harm developers' expectations, complicate financing, and threaten the future of the CSP.

The Coalition does not disagree with Staff that the Commission has the power under its administrative rules to impose additional conditions at the time of precertification.¹¹ However, the Commission should not impose additional conditions that upset the expectations of the entire market and would potentially disqualify the vast majority of projects.

As an alternative to what has happened in this case, the Coalition suggests allowing the Program Administrator to merely flag concerns when passing on applications to Staff, having Staff develop their recommendation as normal, and inviting the project manager to address any outstanding concerns directly to the Commission at the public meeting when making a decision about pre-certification.

C. In the Alternative, the Coalition Supports Approval of Staff's Proposal with Certain Changes

The Coalition disagrees with Staff's Proposal in its current form. However, with certain modifications, Staff's Proposal could provide a creative solution that facilitates

¹⁰ Staff Memorandum at 3.

¹¹ OAR 860-088-0050(3).

the resolution of this PPA dispute without harming the CSP or ratepayers. The Coalition first notes that it believes Staff's Proposal is better understood as addressing an unspoken concern about public perception rather than a concern about project eligibility or contractual breach. Under that lens, Staff's Proposal could be feasible, but it proposes a timeframe that is likely too short. In addition, the Coalition requests clarity that the timeframe tolls the 18-month period to achieve certification.

1. Staff's Proposal Appears to Address an Unspoken Concern about Public Perception, Not Project Eligibility

The Coalition anticipates that Staff's underlying concern is about the *possibility* of conflicting contractual rights causing confusion to potential subscribers, rather than being about the conflict itself. This concern is potentially valid. If, for example, a project manager accidentally offered a subscription to the wrong project, one with a live PPA, the public perception of the CSP could suffer.

If this is Staff's concern, then the Coalition is sympathetic to Staff's request for conditional precertification, as it essentially asks projects to provide documentation to confirm that the project is ready to be marketed.¹² As noted, the QFs always intended to pursue termination (or amendment), thus Staff is seeking proof of the QFs' success.

In short, the Coalition thinks that Staff wants documentation rather than only good intentions. The Coalition agrees that updating the Commission as projects achieve PPA amendment (or termination) is a reasonable request to ensure the health of the CSP.

¹² It is perhaps worth noting that while the utilities are required to report when they enter new PPAs, there is no requirement that utilities report when they amend or terminate a PPA. *See* OAR 860-029-0030(7).

However, this does not need to occur through "conditional" pre-certification, and this new requirement is not necessary.

2. Six Weeks May Not Be Sufficient to Reach Resolution with PGE

The Coalition is concerned by Staff's suggestion of a six-week timeframe for projects to either finalize the termination (or amendment) of their PPA or to forfeit their participation in the CSP. PGE has been unresponsive to QF inquiries regarding this dispute,¹³ and without the possibility of an extension, PGE could merely do nothing until the QFs run out of time to participate in the CSP.

The Coalition will file separate comments recommending changes to the utilities' tariffs that allow projects with PPAs to participate in the CSP and explaining why PGE is legally obligated to allow CSP projects with executed PPAs to terminate or amend their contracts. The Commission can resolve this dispute at the upcoming April 7, 2020 public meeting, and make this problem and risk to the CSP simply go away.

If clear direction is provided by the Commission and PGE agrees to amend or terminate the PPAs, six weeks should be sufficient. Given that negotiations with PGE could prove to be more difficult than expected, CSP projects should be given liberal leeway to seek and obtain an extension of time.

If the Commission, however, does not provide clear direction to PGE to terminate or amend their PPAs and PGE does not voluntarily agree to do so, then the Coalition requests that the Commission provide the projects with three months to terminate or

¹³ OSEIA and CCSA have attempted to engage with PGE as have several developers and other interested stakeholders. *See* Attachments A, B, C and D. The Coalition is not aware of PGE responding to any inquiry.

amend their PPAs. These projects will need to file complaints against PGE at the Commission, which could potentially be resolved in three months if the Commission commits to doing so on an expedited basis.

If the Commission does not resolve issues at the April 7, 2020 public meeting and elects a longer process, then the Commission would need to impose additional requirements to ensure that this unforeseen delay does not cause irrevocable harm to the CSP. For example, if the Commission takes longer than three months, it should also provide CSP projects with liberal leeway to seek and obtain an extension of time.

The Commission should require PGE to agree to allow any CSP project to suspend their interconnection process pending resolution. Any delay in resolving issues will prevent developers from selling or financing their projects. While the Commission resolves any dispute, the current project owners will need to continue to make significant investments in the projects in order to keep them alive, including paying for interconnection studies and/or facilities. Essentially, some developers will need to make multi-million dollar investment decisions in the next month alone. If they do not make those payments, then their projects could be removed from the interconnection queue. This means that, if this process drags out more than a month or two, then it could cause some projects to become uneconomic unless the Commission allows these projects a temporary stay in making interconnection payments.

In the end, the Coalition urges the Commission to act with speed, require projects with PPAs to become pre-certified, and promptly issue an order directing PGE to allow projects to terminate or amend their PPAs. Projects cannot obtain financing, negotiate with an equipment procurement contractor, or sign up subscribers until the Commission provides clear direction. Some projects have conditional use permits which may expire soon, which can be fatal given the recent land use changes in the Willamette Valley. The vast majority of projects will not be willing or able to make risky investments and simply build their projects with the hope that this Commission will sort it all out in the end with a favorable resolution.

Finally, the Coalition appreciates Staff's offer to be involved in resolving the dispute. However, unless PGE is willing to agree to amend or terminate executed PPAs, then there is no assistance that Staff can provide. The Commission itself may need to take prompt action to save the CSP.

3. The 18-Month Deadline Should Be Tolled for Dispute Resolution

The Coalition notes that no one expected a dispute to occur over the PPAs. However, stakeholders agreed on an 18-month timeframe for pre-certified projects to demonstrate they qualified for certification.¹⁴ The Coalition asks that this timeframe be tolled to reflect any delays caused by the unexpected dispute. The Commission has authority to grant extensions to this timeframe,¹⁵ so in essence the Coalition simply asks the Commission to grant extensions now or to provide certainty that it will provide extensions in the future if any pre-certified project requires one due to the delays of dispute resolution. Given the large number of projects impacted, the tolling of the deadline should not be done on a project by project basis, but broadly for all projects.

¹⁴ OAR 860-088-0040(5).

¹⁵ *Id.*

III. CONCLUSION

For the foregoing reasons, the Commission should not adopt Staff's proposal and instead approve pre-certification for all projects meeting the CSP criteria. Alternatively, the Commission should modify Staff's proposal to provide relief to projects during this dispute resolution, including by tolling the 18-month deadline for certification. Finally, the Commission should itself provide guidance on the dispute, either at the April 7, 2020 meeting or by agreeing to address contested case proceedings on an expedited basis. The Coalition fears that without the Commission's prompt attention to this matter, there might effectively be no CSP in PGE's service territory.

Dated this 6th of March 2020.

Respectfully submitted,

Irion A. Sanger Joni Sliger Sanger Law, PC 1041 SE 58th Place Portland, OR 97215 Telephone: 503-756-7533 Fax: 503-334-2235 irion@sanger-law.com

Of Attorneys for the Renewable Energy Coalition

Attachment A

Community Solar Email Regarding PPA Termination / Amendment Option From: **Charlie Coggeshall** <<u>charlie@communitysolaraccess.org</u>> Date: Thu, Feb 20, 2020 at 12:27 PM Subject: PPA termination/amendment option - community solar To: <Jim.Barnes@pgn.com>, <John.Morton@pgn.com>

Hi Jim and John,

The PUC Staff recommended reaching out to you for clarification on a major issue in the community solar program. I've been representing two solar trade associations (OSEIA and CCSA) on community solar for years. I understand Joe Barra has retired and I'm not sure if I've met either of you, yet. As you're aware, the majority of projects that applied into the program in PGE's territory currently hold a PURPA PPA. The intent of the Project Managers leveraging those projects has been to terminate or amend the PPA contracts if/once pre-certified in the program. My understanding is that PGE has been flexible in allowing for PPA terminations in the past.

Can you please confirm your position on the ability for Project Managers to have this option/flexibility in the community solar program?

I'm happy to hop on a call as well - you can reach me at: 415-595-6119.

Thanks, Charlie

Charlie Coggeshall <u>Coalition for Community Solar Access</u> 415-595-6119

The content of this email is confidential and intended for the recipient specified in message only. It is strictly forbidden to share any part of this message with any third party, without a written consent of the sender. If you received this message by mistake, please reply to this message and follow with its deletion, so that we can ensure such a mistake does not occur in the future.

Attachment B

Marquam Creek Solar Email and PPA Termination Letter From: **Hunter Strader** <<u>hunter@greenkeysolar.com</u>> Date: Wed, Feb 19, 2020 at 3:08 PM Subject: PPA Termination - Marquam Creek Solar To: Ryin Khandoker <<u>ryin.khandoker@pgn.com</u>> Cc: Qualifying Facility <<u>Qualifying.Facility@pgn.com</u>>

Ryin,

Please find the enclosed PPA termination letter for Marquam Creek Solar, LLC. Will get into the mail to you today. Let me know if you have any questions. We ask you to respond to this termination request by this Friday 2/21/2020.

Thanks, Hunter

Hunter Strader President GreenKey Solar (336) 706-2043



GreenKey Solar 3519 NE 15th Ave #106 Portland, OR 97212 Hunter@greenkeysolar.com (336) 706-2043

February 19, 2020

Portland General Electric Company QF Contracts, 3WTC0306 121 SW Salmon St Portland, OR 97204

To whom it may concern:

This letter is intended to serve as formal notice of termination for the Power and Purchase Agreement (PPA) between Marquam Creek Solar, LLC and Portland General Electric Company (PGE), executed by PGE on February 9, 2019. The project has experienced feasibility issues related to interconnection. Our team specifically requests termination of the PPA to participate in Oregon's community solar program.

We previously terminated a PPA for the same project in September 2018. At that time, PGE allowed Marquam Solar to unilaterally terminate its PPA. Per section 20.1 of the executed Marquam Creek Solar PPA, this letter reflects direct compliance with the required procedure for notification process of termination of the Marquam Creek Solar PPA executed by PGE on February 9, 2019.

To provide Marquam Solar with certainty as soon as possible, please respond by February 21, 2020 that PGE accepts Marquam Solar's termination of its PPA.

Please reach out to me directly should you need any additional information.

Best,

John Hute

Hunter Strader President GreenKey Solar

Attachment C

Three Conditional Request Email and Notices

From: Jonathan Nelson <jonathan@coniferenergypartners.com> Date: Thu, Feb 20, 2020 at 4:43 PM Subject: Conditional PPA request for Community Solar Pre-Certification To: PGE QFAdmin <<u>PGE.QFAdmin@pgn.com</u>>, <<u>Jim.Barnes@pgn.com</u>> Cc: Richard George <<u>Richard.George@pgn.com</u>>

Hello,

The attached three conditional request notices were mailed to PGE today for projects that were submitted for pre-certification into Oregon's Community Solar Program. Please confirm receipt when they arrive.

Thanks,

-- Jonathan Nelson Conifer Energy Partners LLC 303-709-9600

4207 SE Woodstock #326 Portland, OR 97206



February 20, 2020

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

RE: Conditional Request for Carnes Creek Solar QF PPA for Community Solar

To Whom It May Concern,

As you may be aware, I have submitted my Carnes Creek Solar project for pre-certification into Oregon's new Community Solar Program ("Program"). The project also has an existing standard renewable PPA with PGE to sell power as a qualifying facility ("QF") under PURPA.

I would like to make the conditional request that in the event my submission of the project is approved for certification and participation in the Program, that PGE work with me in good faith to explore and pursue the following options for the sale of unsubscribed generation from the project:

- 1. Amend the current PPA so that it applies 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 201 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.

The above two 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 that other QF projects have previously been able to terminate their PURPA PPAs with PGE.

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.

Sincerely,

Inathan When

Jonathan Nelson Conifer Energy Partners LLC 303-709-9600



4207 SE Woodstock #326 Portland, OR 97206

February 20, 2020

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

RE: Conditional Request for Dryland Solar QF PPA for Community Solar

To Whom It May Concern,

As you may be aware, I have submitted my Dryland Solar project for pre-certification into Oregon's new Community Solar Program ("Program"). The project also has an existing standard renewable PPA with PGE to sell power as a qualifying facility ("QF") under PURPA.

I would like to make the conditional request that in the event my submission of the project is approved for certification and participation in the Program, that PGE work with me in good faith to explore and pursue the following options for the sale of unsubscribed generation from the project:

- 1. Amend the current PPA so that it applies 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 201 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.

The above two 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 that other QF projects have previously been able to terminate their PURPA PPAs with PGE.

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.

Sincerely

Jonathan Nelson Conifer Energy Partners LLC 303-709-9600

4207 SE Woodstock #326 Portland, OR 97206



February 20, 2020

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

RE: Conditional Request for Sesqui-C Solar QF PPA for Community Solar

To Whom It May Concern,

As you may be aware, I have submitted my Sesqui-C Solar project for pre-certification into Oregon's new Community Solar Program ("Program"). The project also has an existing standard renewable PPA with PGE to sell power as a qualifying facility ("QF") under PURPA.

I would like to make the conditional request that in the event my submission of the project is approved for certification and participation in the Program, that PGE work with me in good faith to explore and pursue the following options for the sale of unsubscribed generation from the project:

- 1. Amend the current PPA so that it applies 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 201 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.

The above two 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 that other QF projects have previously been able to terminate their PURPA PPAs with PGE.

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.

Sincerely,

Frather Maler

Jonathan Nelson Conifer Energy Partners LLC 303-709-9600

Attachment D

PUC Pleadings

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 precertification 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 201 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