

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 2, 2021**

REGULAR ____ **CONSENT** **X** **EFFECTIVE DATE** November 3, 2021

DATE: October 25, 2021

TO: Public Utility Commission

FROM: Joe Abraham

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

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 1930)
Proposes Certification extensions for ten projects in Community Solar Program.

STAFF RECOMMENDATION:

The Oregon Public Utility Commission (OPUC or Commission) should accept recommendation of the Program Administrator (PA) of the Community Solar Program (CSP or Program) to grant Certification extensions for ten projects.

DISCUSSION:

Issue

Whether the Commission should extend the period for Certification for ten Community Solar Program 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 OPUC to establish a community solar program.

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(5) articulates that a project remains Pre-certified for a period of 18 months, unless granted an extension by Commission order.

Section 4.7.1 of the CSP Program Implementation Manual (PIM) indicates a Project Manager's (PM) request for an extension of the Certification deadline must be approved by OPUC via a pre-certification amendment.

Analysis

Background

The Commission has Pre-certified each of the projects listed below.^{1,2,3}

Project Name	Name of PM	Utility Territory	Project Size (kW-AC)	Status	Extension Requested	Attachment
Cosper Creek Solar, LLC	Conifer Community Energy 1, LLC	PGE	2,500	Pre-certified 6/12/20	6 months	A
Sesqui-C Solar, LLC	Conifer Community Energy 3, LLC	PGE	2,500	Pre-certified 6/12/20	6 months	A
Carnes Creek Solar, LLC	Conifer Community Energy 5, LLC	PGE	2,500	Pre-certified 6/12/20	6 months	A
Fruitland Creek Solar	FC PM, LLC	PGE	1,750	Pre-certified 6/12/20	6 months	A
Sandy River Solar	SR PM, LLC	PGE	1,850	Pre-certified 6/12/20	6 months	A
Kaiser Creek Solar, LLC	Kaiser Creek Project Manager, LLC	PGE	2,000	Pre-certified 6/18/20	6 months	A

¹ See Order No. 20-142 ("Community Solar Projects for Conditional Pre-Certification Consideration"), April 27, 2020, Order No. 20-439 ("Request to Pre-certify Community Solar Projects"), November 19, 2020, Order No. 20-141 ("Projects for Pre-Certification Consideration"), April 27, 2020, Order No. 20-201 ("Projects for Pre-Certification Consideration"), June 18, 2020, and Order No. 20-137 ("Requests to Pre-certify Community Solar Projects"), April 27, 2020.

² On June, 12, 2020, the CSP Program Administrator received documentation confirming the following projects had terminated a prior power purchase agreement with PGE, and removed the conditional status of their pre-certification in the Program: Cosper Creek Solar, LLC, Sandy River Solar, Fruitland Creek Solar, Sesqui-C Solar, LLC, and Carnes Creek Solar, LLC.

³ On June, 18, 2020, the CSP Program Administrator received documentation confirming the Kaiser Creek Solar, LLC project had terminated a prior power purchase agreement with PGE, and removed the conditional status of the project's pre-certification in the Program.

Project Name	Name of PM	Utility Territory	Project Size (kW-AC)	Status	Extension Requested	Attachment
Linkville Solar	Linkville PM, LLC	PAC	2,800	Pre-certified 11/17/20	6 months	A
Wallowa County Community Solar	Fleet Development, LCC	PAC	360	Pre-certified 04/21/20	70 days	B
Verde Light Power Project	Fleet Development, LCC	IPC	2,950	Pre-certified 06/16/20	6 months	B
Jim and Salle's Place Apartments	ROSE Community Development	PGE	40	Pre-certified 04/21/20	71 days	C

Extension of Timeline for Certification

Extending the timeline for project Certification is considered a project amendment pursuant to the Program Implementation Manual (PIM) and requires PMs to submit a written request that is reviewed by the Program Administrator (PA) and approved by the Commission.⁴ Staff recommends granting these ten projects with an extension of the timeline for completion of Certification conditions. Rationale for Staff recommendation for each project is provided below, and are organized by extension request received by the PA.

The PA evaluates extension requests on a case-by-case basis based on the circumstance of the project, but also takes care to offer equitable treatment across projects. The PA appreciates the challenges caused to projects by the COVID-19 pandemic and supports granting an extension of up to six months for any project manager that can credibly demonstrate delay due to COVID-19.

Certification Deadline Extension Requests

Project Managers have submitted extension requests for the ten projects listed in the table above and discussed below. PA recommendations for the first seven projects, cited in Attachment A, are provided below after the seventh project described. The remaining three projects, cited in Attachments B and C, are provided below along with each project description.

⁴ Cite to PIM p. 68-69.

i. Cospers Creek Solar, LLC

The Project Manager, Conifer Community Energy 1, LLC, has requested a six month Certification deadline extension from December 12, 2021 to June 12, 2022, Attachment A. Cospers Creek Solar, LLC is a 2,500 kW project located outside of Willamina in Polk County, in Portland General Electric's (PGE) service area. The project was Pre-certified on June 12, 2020.

ii. Sesqui-C Solar, LLC

The Project Manager, Conifer Community Energy 3, LLC, has requested a six month Certification deadline extension from December 12, 2021 to June 12, 2022, Attachment A. Sesqui-C Solar, LLC is a 2,500 kW project located outside of Yamhill in Yamhill County, in PGE's service area. The project was Pre-certified on June 12, 2020.

iii. Carnes Creek Solar, LLC

The Project Manager, Conifer Community Energy 5, LLC, has requested a six month Certification deadline extension from December 12, 2021 to June 12, 2022, Attachment A. Carnes Creek Solar, LLC is a 2,500 kW project located outside of Brooks in Marion County, in PGE's service area. The project was Pre-certified on June 12, 2020.

iv. Fruitland Creek Solar

The Project Manager, FC PM, LLC, has requested a six month Certification deadline extension from December 12, 2021 to June 12, 2022, Attachment A. Fruitland Creek Solar is a 1,750 kW project located outside of Salem in Marion County, in PGE's service area. The project was Pre-certified on June 12, 2020.

v. Sandy River Solar

The Project Manager, SR PM, LLC, has requested a six month Certification deadline extension from December 12, 2021 to June 12, 2022, Attachment A. Sandy River Solar is a 1,850 kW project located outside of Sandy, OR in Clackamas County, in PGE's service area. The project was Pre-certified on June 12, 2020.

vi. Kaiser Creek Solar, LLC

The Project Manager, Kaiser Creek Project Manager, LLC, has requested a six month Certification deadline extension from December 18, 2021 to June 18, 2022, Attachment A. Kaiser Creek Solar, LLC is a 2,000 kW project located outside of Molalla in Clackamas County, in PGE's service area. The project was Pre-certified on June 18, 2020.

vii. Linkville Solar

The Project Manager, Linkville PM, LLC, has requested a six month Certification deadline extension from May 17, 2022 to November 17, 2022, Attachment A. Linkville

Solar is a 2,800 kW project located outside of Klamath Falls in Klamath County, in PacifiCorp's (PAC) service area. The project was Pre-certified on November 17, 2020.

In Attachment A, the PMs for the seven projects above jointly explain that the extension requests are due to delays related to the COVID-19 pandemic. Among other factors, the PMs cite delays in procuring necessary protection equipment for interconnection, county permitting office delays, and global supply chain and shipping delays. For the Linkville Solar project, the PM also reports that utility interconnection upgrades are not expected to be complete until May 2022, making the current timeline infeasible.

The PA is satisfied that these projects are making timely progress towards Certification. Each of these projects has begun participant recruitment and is actively entering participants in the CSP platform for verification. Including customers still in the verification process, each of these project already meets the Certification requirement of 50 percent project enrollment (five projects have enrolled over 80 percent of project capacity) as well as the 10 percent low-income requirement. The projects report that they have purchased major equipment for their projects and begun site preparation in advance of construction.

For these reasons, the PA considers the extension requests for the seven projects listed above to be reasonable and recommends granting extensions.

viii. Wallowa County Community Solar

The Project Manager, Fleet Development, has requested a 70 day Certification deadline extension from October 21, 2021 to December 31, 2021, Attachment B. Wallowa County Community Solar is a 360 kW project located outside of the City of Enterprise in Wallowa County, in PAC service area. The project was Pre-certified on April 21, 2020.

The PM provides multiple reasons for requesting an extension, including global shipping delays related to the COVID-19 pandemic, siting specific and recently delays in the delivery of tracking equipment, as well as uncertainty in the latest legislative session related to property taxes, which had delayed the finalization of financial planning. The PA is satisfied that this project is making timely progress towards Certification. The PM has been in regular contact with the PA about its progress in developing the projects and enrolling subscribers. The PA understands the PM to have agreements in principle with affordable housing providers and other key partners that will subscribe the bulk of project capacity. The PA also considers the short extension period requested for the project to be a positive indication that the project is making good progress towards Certification.

For these reasons, the PA considers this extension requests to be reasonable and recommends granting the extension.

ix. Verde Light Power Project

The Project Manager, Fleet Development, has requested a six month Certification deadline extension from December 16, 2021 to June 16, 2022, Attachment B. Verde Light Power Project is a 2,950 kW project located outside of Ontario in Malheur County, in Idaho Power Company service area. The project was Pre-certified on June 16, 2020.

The PM provides multiple reasons for requesting an extension, including global shipping delays related to the COVID-19 pandemic, siting specific and recently delays in the delivery of tracking equipment, as well as uncertainty in the latest legislative session related to property taxes, which had delayed the finalization of financial planning. The PA is satisfied that this project is making timely progress towards Certification. The PM has been in regular contact with the PA about its progress in developing the projects and enrolling subscribers. The PA understands the PM to have agreements in principle with affordable housing providers and other key partners that will subscribe the bulk of project capacity. The PA also considers the short extension period requested for the project to be a positive indication that the project is making good progress towards Certification.

For these reasons, the PA considers this extension requests to be reasonable and recommends granting the extension.

x. Jim and Salle's Place Project

The Project Manager, ROSE Community Development, has requested a 71 day Certification deadline extension from October 21, 2021 to January 1, 2022, Attachment C. Jim & Salle's Place project is a 40 kW project located in Portland in Multnomah County, in PGE's service area. The project was Pre-certified on April 21, 2020.

At the time of Pre-certification, Rose CDC informed the PA that their desire to offer deeply-discounted subscriptions to low-income households was dependent on the project securing outside funding. At the time, the project had secured grant funding through the PGE Renewable Energy Fund and was pursuing additional grant funding from the Multnomah County Weatherization Program. The project has not been able to satisfy qualification requirements for the latter funding source and has stayed in regular touch with the PA team on its efforts to secure project funding. In August 2021, the project received additional funding through Energy Trust of Oregon's small-scale community solar project incentive, which allows the project to proceed with construction. With this funding secured, the project is requesting additional time to complete project construction and enrollment.

The PA considers project amendment requests on a case-by-case basis, taking the circumstances of the request into account. In this case, the PA acknowledges that the project's goals of broad low-income participation and substantial low-income discounts would require outside funding, and that the project has only recently been able to secure project funding that makes these plans viable. The PA notes that the Program has a policy objective of supporting small and non-profit-led projects in the program carve-out, and believes that this policy objective warrants granting extensions to unique community-led projects in situations such as this. The PA also notes that there is still available program capacity and no waitlist for carve-out capacity in the program, and that no other projects would be impacted by granting an extension. For these reasons, the PA supports granting a project extension.

Conclusion

Staff agrees with the analysis of the PA and recommends the Commission approve project Certification extensions for the ten projects discussed above.

PROPOSED COMMISSION MOTION:

Accept the recommendation of Staff and the Program Administrator to grant the amendments extending the timeline for Certification for ten projects.

August 5, 2021

VIA EMAIL (administrator@oregoncsp.org)

Program Administrator
Oregon Community Solar Program

**RE: Community Solar Program Extension of the Certification Deadline
PP-2020-80 (Linkville); PGE-2020-56 (Carnes Creek); PGE-2020-45 (Sesqui-C);
PGE-2020-42 (Kaiser); PGE-2020-41 (Fruitland); PGE-2020-38 (Sandy River);
PGE-2020-34 (Casper Creek) (the “Projects”)**

Dear Program Administrator,

On behalf of Conifer Community Energy 5, LLC, Conifer Community Energy 3, LLC, Conifer Community Energy 1, LLC, FC PM, LLC, Kaiser Creek Project Manager, LLC, Linkville PM, LLC, and SR PM, LLC, the Project Managers for the above referenced projects as well as Carnes Creek Solar LLC, Casper Creek Solar LLC, Fruitland Creek Solar LLC, Kaiser Creek Solar LLC, Sandy River Solar LLC, Linkville Solar LLC, and Sesqui-C Solar LLC, the owners of the projects (collectively the “**Developers**”), we hereby submit this letter requesting an extension of the 18-month Pre-certification period.

As you are aware, the situation continues to evolve rapidly without any ability to forecast disruptions as it relates to the ongoing Coronavirus 2019 (COVID-19) pandemic (most recently as it relates to the Delta variant). Notwithstanding the massive COVID-19 impact to global supply chains and labor forces, the Developers remain fully committed to pursuing the completion of the Projects in a safe, diligent and reasonable manner under the current circumstances. All of the Projects are already approximately 90% subscribed with 100% of the low income component fully subscribed. Major equipment and modules have been purchased, preliminary site work has commenced on the Projects and the permits are being procured. However, we have already been advised of delays from the utilities, Counties, and suppliers as a result of the COVID-19 impact to both labor and supply chains. These delays are impacting Developers’ efforts to complete the projects within the required time frame prescribed by the program.

The extent of delays vary and are unpredictable. These include, but are not limited to, long lead times for the POI equipment required by the utilities, labor resource limitations that may delay utility completion of the utility’s interconnect work, and three-to-four-month delays from certain counties issuing development permits to allow for the commencement of construction. In addition to the aforementioned, notwithstanding the sourcing of all the requisite equipment and materials for the project, there continue to be ongoing disruptions to the global supply chain whether due to shortage of shipping containers or drivers with qualified CDLs.

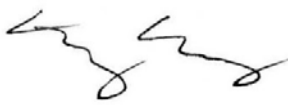
As a result of the foregoing, it is only prudent that we must recognize, there is a strong likelihood that we will encounter additional delays as a result of this pandemic. We anticipate that these delays will have a negative impact on the Projects construction schedules which exceeds any

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existing delay buffers built in to comply with the Program deadlines. At this time, it is not possible to quantify the delay in its' entirety, however, we believe a six (6) month extension for program compliance would be sufficient to overcome the known delays and any unforeseen delays that may arise. We therefore respectfully request a six (6) month extension to the 18-month Pre-certification period.

We are available to address any questions or concerns.

Thank you for your time and consideration.



Troy Snyder
on Behalf of
FC PM, LLC
SR PM, LLC
Linkville PM, LLC



Hunter Strader
on Behalf of
Kaiser Creek Project Manager, LLC



Jonathan Nelson
on Behalf of
Conifer Community Energy 5, LLC
Conifer Community Energy 3, LLC
Conifer Community Energy 1, LLC

cc: Fruitland Creek Solar, LLC
Sandy River Solar, LLC
Linkville Solar, LLC
Kaiser Creek Solar, LLC
Carnes Creek Solar, LLC
Sesqui C Solar, LLC
Cosper Creek Solar, LLC
Emerald Garden Holdings 2, LLC



200 E Main St
Enterprise, OR 97828

16 September

Energy Solutions
c/o: Oregon Community Solar Program
449 15th St. Suite 400
Oakland, CA 94612

Dear Program Administrator,

Fleet Development is the project manager and developer for two upcoming community solar projects. Both projects have experienced significant delays and obstacles that will most likely prevent them from achieving PUC Certification status in the timeline required by the Oregon Community Solar Program PIM. I'm addressing the certification deadline for both projects in one letter because they share common reasons for not being in position to meet the directed timelines. The projects are:

IP-2020-72 Verde Light Power Project – Certification Deadline - **December 16th, 2021**
PP-2020-35 Wallowa County Community Solar – Certification Deadline - **October 21st, 2021**

These projects were conceptually in development prior to the program rules being determined and implemented in the PIM. However, both projects represent some of the program's first projects developed solely with the goal of being community solar projects – they are not converted QF developments finding a better opportunity in community solar. Since they were developed as community solar projects from the beginning, they represent realistic timelines from concept to construction and all the necessary processes in between.

The projects both suffered delays for reasons out of the control of our development process. Both projects were delayed in development pending the outcome of the Oregon 2021 Legislative Session in regard to SB 154 (Solar Taxation – Payment in Lieu of Taxes). Because the fiscal constraints of these projects are so tight, we believed we could not proceed with further development work until the passage of the bill was assured, and then negotiations were completed with Wallowa and Malheur Counties, resulting in guarantees that those counties would tax the projects in concurrence with SB 154.

More recently, our projects have been affected by global shipping delays presumably caused by the COVID-19 pandemic, which has severely impacted many global and US port facilities. We

recently received notice from our single-axis tracker supplier that our materials order was *unexpectedly delayed another 8-weeks*.

Although we are making every effort to meet timelines that we have promised to the program and to our investors, we believe it is prudent to request appropriate extensions to the Certification deadline for both projects and to keep the program transparently informed of our progress. We believe that the Certification deadline is intended to keep incompletable projects from lingering in the queue, preventing other projects from proceeding. Extending the deadline for both of our projects will not harm others in line behind us. In the case of the Verde Light Power Project, it is the only project in that Idaho Power's utility service area. In the case of Wallowa County Community Solar, it is one of the few 'carve out' projects, of which the carve out capacity has ample space remaining.

We respectfully request the following Certification date requirements:

IP-2020-72 Verde Light Power Project – Certification Deadline - **Jun 16th, 2022 (+6 month ext.)**
PP-2020-35 Wallowa County Community Solar – Certification Deadline - **Dec 31st, 2021 (+2 month ext.)**

Thank you for your consideration.

Ryan Sheehy

Ryan Sheehy
President, Fleet Development



ROSE Community Development
Jim & Salle's Community Solar Project

9/21/2021

To Oregon Community Solar:

ROSE Community Development is requesting an extension for certification for the Jim & Salle's Community Solar Program. The project was delayed throughout the pandemic and we were not able to reach a critical threshold of qualifying residents to receive the remainder of funding from the Multnomah County Weatherization funds. We applied for gap funding from the Energy Trust of Oregon, which was awarded at the end of August, 2021. With this funding we will be able to move forward to complete the project.

Our new timeline to complete the project and be ready for certification will be January 1, 2021.

Please direct questions to Jami LeBaron, Community Development Manager for ROSE CDC, or Nick Sauvie, Executive Director for ROSE CDC, at nick@rosecdc.org.

Sincerely,

Jami LeBaron
ROSE Community Development