

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 UM 1129

4 In the Matter of

5 PUBLIC UTILITY COMMISSION OF
6 OREGON

7 Staff's Investigation Relating to Electric
8 Utility Purchases From Qualifying Facilities.

STAFF'S RESPONSE TO IDAHO POWER'S
MOTION FOR CLARIFICATION

9 On or about August 14, 2007, Idaho Power filed its Motion for Clarification (Motion)
10 seeking Commission direction for when the company should submit its required final avoided
11 cost rate filing. For the following reasons, staff of the Public Utility Commission of Oregon
12 (staff) does not oppose, in this instance, Idaho Power's request to allow the company to follow
13 the Commission's rules that set forth a schedule for the submittal of the cost information.
14 However, staff notes that the applicable rules are inconsistent with the Commission's Order No.
15 05-584, a matter staff intends to take up in the docket the Commission just opened in its Order
16 No. 07-360 to consider changes to the rules.

17 **Discussion**

18 Idaho Power correctly summarizes the matter. OAR 860-029-0080(3) requires each
19 public utility to file draft avoided cost information with its Integrated Resource Plan (IRP) and
20 then file the final avoided cost information within 30 days of the Commission's
21 acknowledgement of the IRP. In its Order No. 05-584, the Commission "affirm[ed] the
22 continued use of a two-year filing cycle for avoided cost rates." Order No. 05-584 at 29.

23 Idaho Power states that it filed its most recent IRP in LC 41 and is waiting for the
24 Commission's acknowledgement. The Commission has scheduled a special public meeting on
25 the matter on August 29th, but has the option to set over its decision. Under the Rule, Idaho
26

1 Power's final avoided cost rates are thus not required to be filed, at the earliest, until on or about
2 October 1st of this year.

3 However, under Order No. 05-584, the company's final avoided cost filing was due July
4 12th, and is thus now late. Idaho Power believes the Rule should control the timing.¹

5 Staff acknowledges the apparent inconsistency between the Rule and Order No. 05-584
6 concerning the time for a utility to file its final avoided cost rates. In the normal case, such an
7 inconsistency would require a detailed consideration of which Commission directive should
8 control.

9 However, on August 20, 2007, the Commission formally opened a rulemaking docket to
10 "update Division 29 rules for consistency with federal and state PURPA requirements and
11 decisions in this proceeding." *See* Order No. 07-360 at 43. As such, staff does not oppose, in
12 this instance, Idaho Power's request to follow the timing set out by the Rule. However, in the
13 Division 29 rulemaking staff will work to ensure the future rules are consistent with applicable
14 federal and state requirements, and the Commission's decisions in Dockets UM 1129 and UM
15 1056 (which changed the IRP filing cycle from every two years to two years from IRP
16 acknowledgement).

17 DATED this _____ day of August 2007.

18 Respectfully submitted,

19
20 HARDY MYERS
Attorney General

21
22 _____
Michael T. Weirich, #82425
23 Assistant Attorney General
24 Of Attorneys for staff of the Public Utility
Commission of Oregon

25 _____
26 ¹ Staff notes that Portland General Electric and PacifiCorp filed avoided costs timely under Order No. 05-584. The Commission approved those filings, subject to investigation, at its August 7, 2007, meeting.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1129

In the Matter of
PUBLIC UTILITY COMMISSION OF
OREGON
Staff's Investigation Relating to Electric
Utility Purchases From Qualifying Facilities.

STAFF'S RESPONSE TO IDAHO POWER'S
MOTION FOR CLARIFICATION

On or about August 14, 2007, Idaho Power filed its Motion for Clarification (Motion) seeking Commission direction for when the company should submit its required final avoided cost rate filing. For the following reasons, staff of the Public Utility Commission of Oregon (staff) does not oppose, in this instance, Idaho Power's request to allow the company to follow the Commission's rules that set forth a schedule for the submittal of the cost information. However, staff notes that the applicable rules are inconsistent with the Commission's Order No. 05-584, a matter staff intends to take up in the docket the Commission just opened in its Order No. 07-360 to consider changes to the rules.

Discussion

Idaho Power correctly summarizes the matter. OAR 860-029-0080(3) requires each public utility to file draft avoided cost information with its Integrated Resource Plan (IRP) and then file the final avoided cost information within 30 days of the Commission's acknowledgement of the IRP. In its Order No. 05-584, the Commission "affirm[ed] the continued use of a two-year filing cycle for avoided cost rates." Order No. 05-584 at 29.

Idaho Power states that it filed its most recent IRP in LC 41 and is waiting for the Commission's acknowledgement. The Commission has scheduled a special public meeting on the matter on August 29th, but has the option to set over its decision. Under the Rule, Idaho

1 Power's final avoided cost rates are thus not required to be filed, at the earliest, until on or about
2 October 1st of this year.

3 However, under Order No. 05-584, the company's final avoided cost filing was due July
4 12th, and is thus now late. Idaho Power believes the Rule should control the timing.¹

5 Staff acknowledges the apparent inconsistency between the Rule and Order No. 05-584
6 concerning the time for a utility to file its final avoided cost rates. In the normal case, such an
7 inconsistency would require a detailed consideration of which Commission directive should
8 control.

9 However, on August 20, 2007, the Commission formally opened a rulemaking docket to
10 "update Division 29 rules for consistency with federal and state PURPA requirements and
11 decisions in this proceeding." See Order No. 07-360 at 43. As such, staff does not oppose, in
12 this instance, Idaho Power's request to follow the timing set out by the Rule. However, in the
13 Division 29 rulemaking staff will work to ensure the future rules are consistent with applicable
14 federal and state requirements, and the Commission's decisions in Dockets UM 1129 and UM
15 1056 (which changed the IRP filing cycle from every two years to two years from IRP
16 acknowledgement).

17 DATED this 23rd day of August 2007.

18 Respectfully submitted,

19 HARDY MYERS
20 Attorney General

21 

22 Michael T. Weirich, #82425
23 Assistant Attorney General
24 Of Attorneys for staff of the Public Utility
25 Commission of Oregon

26 ¹ Staff notes that Portland General Electric and PacifiCorp filed avoided costs timely under Order No. 05-584. The Commission approved those filings, subject to investigation, at its August 7, 2007, meeting.

1 **CERTIFICATE OF SERVICE**

2 I certify that on August 24, 2007, I served the foregoing upon all parties of record in this
3 proceeding by delivering a copy by electronic mail and by mailing a copy by postage prepaid
4 first class mail or by hand delivery/shuttle mail to the parties accepting paper service.

5 **PORTLAND GENERAL ELECTRIC COMPANY**
6 RATES & REGULATORY AFFAIRS
7 121 SW SALMON ST 1WTC0702
8 PORTLAND OR 97204
9 pge.opuc.filings@pgn.com

COLUMBIA ENERGY PARTNERS
CHRIS CROWLEY
1920 BROADWAY ST
VANCOUVER WA 98663-3325
ccrowley@columbiaep.com

10 **ASCENTERGY CORP**
11 BRUCE CRAIG
12 24900 PITKIN RD. - STE 325
13 SPRING TX 77386-1942
14 bcraig@asc-co.com

CROSSBORDER ENERGY
R THOMAS BEACH - **CONFIDENTIAL**
2560 NINTH ST - STE 213A
BERKELEY CA 94710-2557
tomb@crossborderenergy.com

15 **BEN JOHNSON ASSOCIATES**
16 DON READING - **CONFIDENTIAL**
17 6070 HILL ROAD
18 BOISE ID 83703
19 dreading@mindspring.com

W
D R JOHNSON LUMBER COMPANY
RANDY CROCKET
CHIEF FINANCIAL OFFICER
PO BOX 66
RIDDLE OR 97469
randyc@drjlumber.com

20 **W**
21 **CABLE HUSTON BENEDICT ET AL**
22 THOMAS M GRIM
23 ATTORNEY
24 1001 SW FIFTH AVE STE 2000
25 PORTLAND OR 97204-1136
26 tgrim@chbh.com

W
DAVISON VAN CLEVE
IRION A SANGER - **CONFIDENTIAL**
ASSOCIATE ATTORNEY
333 SW TAYLOR - STE 400
PORTLAND OR 97204
ias@dvclaw.com

1 **CENTRAL OREGON IRRIGATION DISTRICT**
2 STEVEN C JOHNSON
3 DISTRICT MANAGER
4 1055 SW LAKE CT
5 REDMOND OR 97756
6 stevej@coid.org

W
DAVISON VAN CLEVE PC
S BRADLEY VAN CLEVE - **CONFIDENTIAL**
333 SW TAYLOR - STE 400
PORTLAND OR 97204
mail@dvclaw.com

7 **W**
8 **CITIZENS' UTILITY BOARD OF OREGON**
9 LOWREY R BROWN
10 UTILITY ANALYST
11 610 SW BROADWAY - STE 308
12 PORTLAND OR 97205
13 lowrey@oregoncub.org

DEPARTMENT OF JUSTICE
JANET L PREWITT - **CONFIDENTIAL**
ASST AG
1162 COURT ST NE
SALEM OR 97301-4096
janet.prewitt@doj.state.or.us

14 **CITIZENS' UTILITY BOARD OF OREGON**
15 JASON EISDORFER
16 ENERGY PROGRAM DIRECTOR
17 610 SW BROADWAY STE 308
18 PORTLAND OR 97205
19 jason@oregoncub.org

DOUGLAS COUNTY FOREST PRODUCTS
MICK BARANKO
CONTROLLER
398 DFEL RIO RD
ROSEBURG OR 97470
mick@dcpf.com

1 **HURLEY, LYNCH & RE, PC**
ELIZABETH DICKSON
2 747 SW MILLVIEW WAY
BEND OR 97702
3 eadickson@hlr-law.com

4 **W**
IDAHO POWER COMPANY
RANDY ALLPHIN
5 PO BOX 70
BOISE ID 83707-0070
6 rallphin@idahopower.com

7 KARL BOKENKAMP
GENERAL MANAGER-POWER SUPPLY PLANNING
PO BOX 70
8 BOISE ID 83707-0070
kbokenkamp@idahopower.com

9 JOHN R GALE
VICE PRESIDENT, REGULATORY AFFAIRS
10 PO BOX 70
BOISE ID 83707-0070
11 rgale@idahopower.com

12 SANDRA D HOLMES
PO BOX 70
BOISE ID 83707-0070
13 sholmes@idahopower.com

14 BARTON L KLINE
SENIOR ATTORNEY
PO BOX 70
15 BOISE ID 83707-0070
bkline@idahopower.com

16 MONICA B MOEN
ATTORNEY
PO BOX 70
17 BOISE ID 83707-0070
mmoen@idahopower.com

18 MICHAEL YOUNGBLOOD
PRICING ANALYST
PO BOX 70
19 BOISE ID 83707
myoungblood@idahopower.com

20 **J R SIMPLOT COMPANY**
DAVID HAWK
PO BOX 27
21 BOISE ID 83707
david.hawk@simplot.com

22 **KAFOURY & MCDUGAL**
LINDA K WILLIAMS
23 ATTORNEY AT LAW
10266 SW LANCASTER RD
24 PORTLAND OR 97219-6305
25 linda@lindawilliams.net

W
MCDOWELL & RACKNER PC
KIMBERLY PERRY
520 SW SIXTH AVENUE, SUITE 830
PORTLAND OR 97204
kim@mcd-law.com

LISA F RACKNER - **CONFIDENTIAL**
ATTORNEY
520 SW SIXTH AVENUE STE 830
PORTLAND OR 97204
lisa@mcd-law.com

MIDDLEFORK IRRIGATION DISTRICT
CRAIG DEHART
PO BOX 291
PARKDALE OR 97041
mfidcraig@hoodriverelectric.net

OREGON DEPARTMENT OF ENERGY
CAREL DE WINKEL - **CONFIDENTIAL**
625 MARION STREET NE
SALEM OR 97301
carel.dewinkel@state.or.us

OREGON PUBLIC UTILITY COMMISSION
LISA C SCHWARTZ - **CONFIDENTIAL**
SENIOR ANALYST
PO BOX 2148
SALEM OR 97308-2148
lisa.c.schwartz@state.or.us

OREGON WINDFARMS LLC
GLENN IKEMOTO
PRINCIPAL
672 BLAIR AVENUE
PIEDMONT CA 94611
glenni@pacbell.net

W
PACIFIC POWER
OREGON DOCKETS
825 NE MULTNOMAH ST
STE 2000
PORTLAND OR 97232
oregondockets@pacificcorp.com

W
PACIFIC POWER & LIGHT
MICHELLE R MISHOE
825 NE MULTNOMAH STE 1800
PORTLAND OR 97232
michelle.mishoe@pacificcorp.com

W
PACIFICORP
DATA REQUEST RESPONSE CENTER
825 NE MULTNOMAH ST, STE 2000
PORTLAND OR 97232
datarequest@pacificcorp.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

**W
PACIFICORP**
MARK TALLMAN
825 MULTNOMAH STE 800
PORTLAND OR 97232-2153
mark.tallman@pacificorp.com

PORTLAND GENERAL ELECTRIC COMPANY
J RICHARD GEORGE - **CONFIDENTIAL**
ASST GENERAL COUNSEL
121 SW SALMON ST 1WTC1301
PORTLAND OR 97204
richard.george@pgn.com

RICHARDSON & O'LEARY
PETER J RICHARDSON - **CONFIDENTIAL**
PO BOX 7218
BOISE ID 83707
peter@richardsonandoleary.com

SYMBIOTICS, LLC
BRIAN COLE
DIRECTOR, GOVERNMENT & COMMUNITY
RELATIONS
PO BOX 1088
BAKER CITY OR 97814
bc@orbisgroup.org


THOMAS H NELSON & ASSOCIATES
THOMAS H NELSON
24525 E WELCHES RD
BOX 1211
WELCHES OR 97067
nelson@thnelson.com

VULCAN POWER COMPANY
MARK ALBERT
345 SW CYBER DR - STE 103
BEND OR 97702-1045
malbert@vulcanpower.com

WESTERN WIND POWER
PAUL R WOODIN
282 LARGENT LN
GOLDENDALE WA 98620-3519
pwoodin@gorge.net

WEYERHAEUSER
SETH HOOPER
MAIL STOP CH1 K32
PO BOX 9777
FEDERAL WAY WA 98063-9777
seth.hooper@weyerhaeuser.com

WEYERHAEUSER COMPANY
ALAN MEYER - **CONFIDENTIAL**
698 12TH ST - STE 220
SALEM OR 97301-4010
alan.meyer@weyerhaeuser.com



Neoma A. Lane
Legal Secretary
Department of Justice
Regulated Utility & Business Section