

JOHN R. KROGER  
Attorney General



MARY H. WILLIAMS  
Deputy Attorney General

DEPARTMENT OF JUSTICE  
GENERAL COUNSEL DIVISION

October 15, 2009

Attention: Filing Center  
Public Utility Commission of Oregon  
550 Capitol St. NE – Suite 215  
P.O. Box 2148  
Salem, OR 97308-2148

Re: *Investigation Into If Avoided Cost Rate Is Consistent With Order 05-584*  
PUC Docket No.: UM 1442  
DOJ File No.: 330-030-GN0402-09

Dear Filing Center:

Enclosed are the Oregon Department of Energy's Comments in the above captioned matter for filing with the Public Utility Commission today.

Sincerely,

Janet L. Prewitt  
Assistant Attorney General  
Natural Resources Section

JLP:mme/#1675398  
c: UM 1442 Service List

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
UM 1442

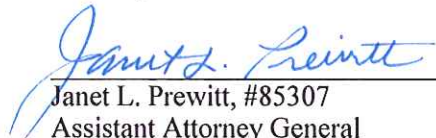
|                               |   |                      |
|-------------------------------|---|----------------------|
| In the Matter of the          | ) |                      |
|                               | ) |                      |
| INVESTIGATION INTO IF AVOIDED | ) | OREGON DEPARTMENT    |
| COST RATE IS CONSISTENT WITH  | ) | OF ENERGY'S COMMENTS |
| ORDER 05-584                  | ) |                      |

The Oregon Department of Energy (“ODOE”) submits these comments regarding the Application for Reconsideration or Clarification filed in this matter. In the interest of ensuring reliable and affordable sources of renewable energy are available, ODOE supports the expedited “Application for Reconsideration or Clarification” dated October 6, 2009, made by the Industrial Customers of Northwest Utilities (“ICNU”), Biomass One, Co-Gen II LLC, Community Renewable Energy Association and Renewable Energy Coalition (“Joint Applicants”). ODOE specifically supports the Joint Applicants’ request for clarification and possible extension of the schedule because it would allow better assessment of the Avoided Cost decision-making methodology and better serve the interest of current Qualifying Facilities (“QF”) and potential renewable QFs that intend to invest in renewable energy generation resources. Furthermore, ODOE proposes that such an investigation recognize the larger Oregon policy to support distributed generation, especially those facilities that use renewable resources; such recognition should consider the relative impact of potential Renewable Energy Certificate (REC) revenue owing to the Oregon Renewable Portfolio Standard, applicable to current and future renewable QFs under ORS 469A, compared to the planning stability afforded by a standard offer contract.

DATED this 15<sup>th</sup> day of October, 2009.

Respectfully submitted,

JOHN R. KROGER  
Attorney General

  
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Janet L. Prewitt, #85307  
Assistant Attorney General  
Of Attorneys for Oregon  
Department of Energy

SERVICE LIST UM 1442

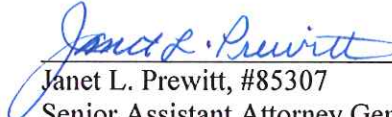
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| <p>Jordan A. White<br/>Pacific Power &amp; Light<br/>825 NE Multnomah Ste. 1800<br/>Portland, OR 97232<br/><a href="mailto:jordan.white@pacificorp.com">jordan.white@pacificorp.com</a></p>                   | <p>Paul R. Woodin<br/>Community Renewable Energy Association<br/>1113 Kelly Ave.<br/>The Dalles, OR 97058<br/><a href="mailto:pwoodin@communityrenewables.org">pwoodin@communityrenewables.org</a></p>   |

CERTIFICATE OF SERVICE

I hereby certify that on the 15<sup>th</sup> day of October 2009, I served the foregoing OREGON DEPARTMENT OF ENERGY'S COMMENTS upon the persons named on the service list, by mailing a full, true and correct copy thereof to such persons waiving such service by mail who were served at their e-mail address as listed on the service list.

DATED: October 15, 2009

  
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Janet L. Prewitt, #85307  
Senior Assistant Attorney General