

April 24, 2014

BY EMAIL (to [puc.commission@state.or.us](mailto:puc.commission@state.or.us))

Chair Susan Ackerman  
Commissioner John Savage  
Commissioner Stephen Bloom  
Public Utility Commission of Oregon  
3930 Fairview Industrial Dr SE  
Salem, Oregon 97302-1166

**Re: Oregon Public Utility Commission  
April 29, 2014 Open Meeting Agenda Item No. 2  
Advice No. 14-007 / Revising Pacific Power Schedule 37  
*Renewable Northwest's Support for Suspension and Investigation***

Dear Commissioners,

Renewable Northwest supports staff's recommendation that the Commission suspend Pacific Power's Advice No. 14-007, filed in compliance with Order 14-058. The filing is voluminous and implements, for the first time, several material changes made by the Commission's order in UM 1610 to policies governing avoided cost rates.

In particular, we recommend that the Commission take time to investigate issues associated with the methodology for adjusting rates to reflect differential resource capacity contributions. This investigation should not undermine the Commission's core conclusion that avoided costs rates should be adjusted to reflect resource-specific capacity contributions. Rather, an investigation is needed to clarify how this adjustment can be accomplished most accurately. Combining compensation for *capacity* through a per kilowatt hour *energy* payment raises issues that require clarification, as further described in the April 24, 2014, filings by Obsidian Renewables LLC, Community Renewable Energy Association, and OneEnergy, Inc. Renewable Northwest recommends that the Commission hold a workshop on this issue during the investigation period.

In considering this and other issues, Renewable Northwest recommends that the Commission consider and clarify the relationship between avoided cost proceedings and utility integrated resource plans. In recent IRPs, the Commission appears disinclined to resolve disagreements over methodological issues that do not materially affect portfolio selection. However, where resolution of such issues would materially affect avoided cost rates, some forum for decision must be provided.

Renewable Northwest appreciates consideration of these comments, and encourages the Commission to suspend Pacific Power's Advice No. 14-007 and investigate the issues highlighted above, among others.

3Degrees  
American Wind Energy Association  
Atkins  
Blattner Energy  
Bonneville Environmental  
Foundation  
BP Wind Energy  
Center for Energy Efficiency &  
Renewable Technologies  
Christenson Electric  
Citizens' Utility Board of Oregon  
Climate Solutions  
Columbia Gorge  
Community College  
Community Renewable  
Energy Association  
DNV GL  
E.ON Climate & Renewables  
Ecofys  
EDF Renewable Energy  
EDP Renewables  
Element Power  
Environment Oregon  
Environment Washington  
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FirstWind  
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Resources Council  
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NW Energy Coalition  
OneEnergy Renewables  
Oregon Solar Energy  
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OSPIRG  
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Stoel Rives, LLP  
SWCA Environmental Consultants  
Tonkon Torp LLP  
Vestas Americas  
Warm Springs Power &  
Water Enterprises  
Washington Environmental Council  
WashPIRG  
Western Resource Advocates

Sincerely,

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Policy Associate  
Renewable Northwest

cc: PUC Filing Center ([puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us))  
UM 1610 Service List

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I served a letter dated April 24, 2014, from Renewable Northwest to the Public Utility Commission of Oregon upon the following parties on the UM 1610 service list, via electronic mail, on April 24, 2014:

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