BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1734

In the Matter of PACIFICORP, dba PACIFIC POWER, Application to Reduce the Qualifying Facility Contract Term and Lower the Qualifying Facility Standard Contract Eligibility Cap	SIERRA CLUB'S RESPONSE IN SUPPORT OF MOTION TO ABATE

In accordance with Administrative Law Judge ("ALJ") Allan Arlow's November 18, 2015 Ruling in this proceeding, Sierra Club hereby submits this response in support of the motion of Obsidian Renewables to hold this proceeding in abeyance until such time as the Public Utilities Commission of Oregon ("Commission") can determine whether to initiate a rulemaking in lieu of this PacifiCorp related proceeding and Idaho Power's substantially similar proceeding in docket UM 1725.

PacifiCorp's application in UM 1734, Idaho Power's application in UM 1725, and the proposed rulemaking in AR 593 all address the same fundamental questions regarding PURPA contract terms and the eligibility cap for small qualifying facilities ("QF"). Sierra Club has not determined at this time whether it would be better to address this same fundamental issue through the ongoing contested case proceeding or through a rulemaking. However, Sierra Club strongly believes that the Commission can and should take the procedural time necessary to develop a coherent plant to address each of those three proceeding. There is no imminent crisis or deadline facing PacifiCorp or Idaho Power that requires a decision on their respective applications, but rather the various proceedings address broad policy considerations that will have long-lasting impacts.

The Commission has set a deadline of December 18, 2015 for interested persons to submit comments in AR 593 to respond to Obsidian's petition for rulemaking. In light of that deadline, Sierra Club supports the motions in this docket UM 1734 as well as UM 1725 to hold the procedural schedule in abeyance until after a decision is made on whether or not to proceed with a rulemaking.

Obsidian's motions and petition for rulemaking highlight important concerns that Sierra Club has with the pending UM 1734 and UM 1725 dockets. Sierra Club notes that PacifiCorp filed nearly identical applications in Idaho, Utah and Wyoming, and each of those dockets are proceeding on different schedules. Sierra Club was a party in the proceeding before the Idaho Public Service Commission and is currently a party in the ongoing Utah proceeding that completed evidentiary hearings on November 12, 2015 in Salt Lake City. Sierra Club has expended substantial resources in the Idaho, Utah and Oregon dockets that are all addressing a concerted campaign by PacifiCorp (and Idaho Power) to essentially eliminate the must-purchase obligation under PURPA, which if successful would severely impede, if not completely stop, the development of renewable QF projects throughout its service territory. PacifiCorp's parent company, Berkshire Hathaway Energy, has also engaged heavily in lobbying Congress to amend PURPA in an attempt to make an end-run around its state regulators while accomplishing the same result of eliminating the must-purchase obligation.

In short, PacifiCorp and Idaho Power are engaged in a national and region-wide effort to fundamentally change the implementation of PURPA throughout their service territories. The ultimate purpose of the applications in UM 1734 and UM 1725 is not utility-specific, or even state-specific. The goal is to force changes to laws and policies that PacifiCorp and Idaho Power view as a threat to their business and profitability. To that end, Sierra Club agrees that the Oregon Commission should coordinate its review and final

decisions in each of the forums that address the same questions of law and policy. In particular, Sierra Club is concerned that a decision in the Idaho Power docket, where Sierra Club is not a party, may come before the hearings in this docket UM 1734 and may render moot many of the arguments that Sierra Club and other parties addressed through testimony in the PacifiCorp docket. Sierra Club believes it would be a mistake to rule on the Idaho Power proceeding before parties have had an opportunity to make their case in the PacifiCorp proceeding.[1]

Similarly, the proposed rulemaking in AR 593 would address the same questions of law and policy at issue in both UM 1734 and UM 1725. It therefore does not make sense to continue to pursue each of the three proceedings separately. Whether or not the best route forward is through a rulemaking or through a consolidated docket is a question that Sierra Club has not yet to determine. However, in any case, Sierra Club supports holding the procedural schedules in UM 1734 and UM 1725 in abeyance until the Commission can establish a coherent schedule that affords all parties and interested person's an adequate and fair opportunity to address their concerns to the Commission.

Dated: November 30, 2015

Respectfully submitted,

/s/ Travis Ritchie

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[1] Sierra Club also notes that Portland General Electric is not an applicant in either of the proceedings, and yet a ruling in either UM 1734 or UM 1725 could implicated PURPA related policies in PGE's service territory.