

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 1121

In the Matter of the Application of Oregon)
Electric Utility Company, LLC, *et al*) Issue List of the
to Acquire Portland General Electric Company) Renewable Northwest Project

Below is a summary of the issues the Renewable Northwest Project (RNP) believes should be addressed in Docket UM 1121.

Energy Supply. RNP believes the Applicant's plans for providing a diverse, clean and stable portfolio of energy resources to PGE's customers is an important issue for this docket. PGE's current supply mix is comprised of approximately half fossil resources and half hydropower resources. Other resources, including wind and waste power, supply approximately 1% of PGE's load. Given the fact that PGE needs substantial new resources over the next decade, we believe a discussion of the Applicant's view of PGE's energy supply and how the Applicant plans to ensure long terms, stable rates for customers is an appropriate issue for this docket.

Renewable Resources. PGE's current Integrated Resource Plan Action Plan proposes to acquire 65 aMW of wind power by 2007. We support these plans for wind, but new renewable resources will still serve only a small part of PGE's load. We appreciate the Applicant's efforts to become educated about renewable resources in general and the opportunities in the region as well as the barriers to additional development. The Applicant stated in the application that they look forward to enhancing PGE's performance in the area of renewable resources. We believe a broader discussion of their plans for renewable resources, including a commitment to actions that would facilitate additional clean energy development, is an important issue of interest to PGE's customers.

Senate Bill 1149. Oregon's 1999 energy restructuring legislation, Senate Bill 1149, is an integral issue for PGE and its customers. The legislation reserved 3% of total retail revenues to be directed to, among other things, energy efficiency and renewable energy resources in Oregon. The legislation also directed investor owned utilities to offer at least one renewable energy option and other portfolio options for residential and small business customers. Oregon's resulting voluntary "green power" programs are among the strongest in the nation, reflecting this region's support for clean energy. RNP believes a sustained and continued commitment to the policy direction of Senate Bill 1149 is another issue that should be addressed in this docket.

Transmission. The future of the region's transmission system, its capabilities and limitations, is a fundamental issue to energy supply in the Northwest today. Given the

importance of this issue to Oregon utilities, we believe it is an appropriate topic for this docket. Again, we appreciate the Applicant's effort to become educated about regional transmission issues.

There are transmission issues unique to renewable resources, specifically wind power, due to their often remote location and intermittent generation patterns. We believe the Applicant should commit to addressing and actively helping to solve transmission constraints facing renewables. In the short run, additional renewables can be accommodated by more efficient use of the existing transmission system, such as with offers of partial-firm service, and by the use of new products like storage and shaping. PGE can be more proactive in its work on and support of the efforts of Grid West to create an independent regional planning organization that can help to accommodate the unique characteristics of renewable resources and make more efficient use of the Northwest transmission system for all resources. RNP also notes and supports the conditions related to reducing transmission constraints for renewables that the PUC staff has recommended as part of the acknowledgement of PGE's Final Action Plan for its Integrated Resource Plan. See Draft Staff Report, Docket No. LC 33, April 23, 2004.

Thank you for the opportunity to submit these issues for consideration.

Dated this 12th day of May 2004.
Respectfully submitted,

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