

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**LC 52**

In the Matter of	)	
	)	
PACIFICORP, dba PACIFIC POWER	)	MOTION TO CONTINUE PUBLIC MEETING OF THE CITIZENS’ UTILITY BOARD OF OREGON, NORTHWEST ENERGY COALITION, RENEWABLE NORTHWEST PROJECT, AND SIERRA CLUB
2011 Integrated Resource Plan	)	
	)	
	)	<b>EXPEDITED CONSIDERATION REQUESTED</b>
_____	)	

**I. Introduction**

Pursuant to OAR § 860-001-0420, the Citizens’ Utility Board of Oregon (“CUB”), Northwest Energy Coalition (“NWEC”), Renewable Northwest Project (“RNP”) and Sierra Club (hereinafter referred to as “Joint Parties”) submit to the Public Utility Commission of Oregon (“OPUC” or the “Commission”) this Motion to Continue the Public Meeting currently scheduled for December 6, 2011 (“Public Hearing”). The Public Meeting should be continued for at least two reasons: (1) not all parties subject to the protective order in this case have been provided with a copy of PacifiCorp’s confidential answer to Staff’s Data Request 198 (“DR 198”), which is part of the basis of Staff’s final recommendation in this docket; and (2) as of the time that this Motion was filed, Joint Parties have not seen the underlying analysis and workpapers on which Staff relied in its Staff Report and Staff’s Proposed Order. It is not clear to the Joint Parties how Staff got from DR 198 to the conclusions in its Staff Report.<sup>1</sup> On the Joint Parties’ behalf, CUB

---

<sup>1</sup> CUB sent an e-mail request to Erik Colville, Maury Galbraith, and Bryan Conway at 8:48 AM today, December 2, 2011 asking Staff (1) to provide workpapers which demonstrate *by unit* how Staff got from DR 198 to the conclusion that pre-2015 investments are in the range of 2 to 5% of fixed cost NPV, and (2) to explain how this,

attempted to reach the other parties by e-mail this morning to confer on this Motion, but due to an error on CUB's part, the e-mail service list was incomplete. CUB is regretful of this error, and has attempted to contact the entire service list by e-mail as of 4:00 PM today, shortly after CUB learned of its error. At the time this Motion was filed, CUB had conferred with the following parties:

1. Staff, by e-mail and by phone, who does not oppose this Motion.
2. PacifiCorp, by e-mail and by phone, who does not oppose this Motion.
3. Oregon Department of Energy, by e-mail, who does not oppose this Motion.

## **II. Background**

On March 31, 2011, PacifiCorp filed its Initial Application for Acknowledgement of its 2011 Integrated Resource Plan ("IRP"). On August 25, 2011, Staff and intervenors, including Joint Parties, filed Opening Comments on the IRP. In their initial comments, Staff and Joint Parties agreed that PacifiCorp had failed to provide a comprehensive evaluation of the compliance of PacifiCorp's existing coal fired generation resource with actual and potential environmental regulations. On October 13, 2011, Staff filed a Draft Proposed Order and Staff Final Comments and Recommendations regarding PacifiCorp's IRP, in which Staff found that the new coal utilization study supporting, PacifiCorp's Supplemental Coal Replacement Study, was adequate.

On November 3, 2011, Intervenors, including the Joint Parties, filed Reply Comments to Staff's October 13, 2011 Proposed Order and Final Comments. In their respective comments, Joint Parties maintained their position that PacifiCorp had failed to provide a comprehensive

---

combined with the IRP Table 6.3 demonstrates that the investments in clean air are economic. *See* Exhibit A, attached.

evaluation of the compliance of its existing coal fired generation resources with actual and potential environmental regulations, and detailed the significant flaws in the supplemental coal utilization study.

On December 1, Staff filed its Staff Report and its Proposed Order, which contains new justification (DR 198) for its support of PacifiCorp's evaluation of environmental compliance costs for existing coal-fired plants.<sup>2</sup>

As of the time this Motion was filed, Sierra Club had not been provided with a copy of PacifiCorp's response to DR 198, and none of the Joint Parties had been provided with Staff's analysis, including workpapers, supporting its position on this matter.

### **III. Argument**

The Public Meeting in this docket, scheduled for December 6, 2011, should be continued until each of the Joint Parties has been provided with a copy of PacifiCorp's Response to DR 198, which is part of the basis for Staff's final recommendation in this docket, and until each of the Joint Parties has been provided with the underlying analysis and workpapers on which Staff relied when making its recommendations in its Staff Memo and its Proposed Order. Although CUB, NWECA and RNP have received DR 198, under the terms of the protective order in this docket, they cannot share PacifiCorp's responsive information with any other party, including the Sierra Club. On the morning of Friday, December 2, 2011, Sierra Club submitted a data request to PacifiCorp to receive its response to DR 198. However, the Sierra Club is unlikely to receive this newly requested information prior to the Public Meeting. And, even if they were to receive the information either today or Monday, December 5th, that would still not be enough time to adequately analyze the information.

---

<sup>2</sup> See Staff Report at pg. 4.

To that end, it is imperative that Staff provide its analysis and workpapers relating to DR 198 to the other parties in this docket. CUB has requested that information from Staff, but had not received it as of the time this Motion, and because the information contains confidential information, CUB understands that Staff cannot e-mail the information, so the earliest that CUB would receive the information is Monday, December 5, 2011. This information is critical to the Joint Parties' because it appears to be an integral part of Staff's position in this docket on a central issue to the Joint Parties—coal costs. As stated by Staff:

Since filing its final comments, Staff received the Company's response to data request 198, which included a confidential spreadsheet. The spreadsheet presented a calculation of the on-going fixed costs for each of its coal resources (unit by unit) from 2009 through 2040. The on-going fixed costs included estimates of fixed operation and maintenance, on-going capital, and fixed environmental compliance. The fixed environmental compliance costs included: clean air capital investment operation and maintenance and capital recovery; MACT (maximum achievable control technology) operation and maintenance and capital recovery; cooling water intake capital recovery; coal combustion by-product capital recovery, and mining capital recovery. These ongoing fixed costs were used in the System Optimizer model for preparation of the Study. In its review of the confidential spreadsheet, Staff found that PacifiCorp had considered and analyzed the suite of environmental compliance cost elements that are known and reasonable to consider at this time. Staff notes that on-going fixed costs are only a part of the total costs necessary to accurately compare resources, but that these calculations of on-going fixed costs provide useful insight into the data used to support resource comparisons in the Study.<sup>3</sup>

Though this may provide a small amount of context for the Joint Parties to evaluate Staff's thinking on this issue, it is not nearly adequate enough for the Joint Parties' to conduct a thorough review and understand Staff's Proposed Order. Even CUB, RNP and NWEC, who are in possession of DR 198, cannot understand Staff's conclusions on this matter without workpapers.

Additionally, in Staff's Memo, Staff states:

---

<sup>3</sup> Staff Report at 4.

In reply comments, CUB and Sierra Club presented a general comment that the Study did not comply with the request by the Commission, Staff, and parties for a unit by unit investigation into whether there is flexibility in the emerging environmental regulations that would allow the Company to avoid early compliance costs by offering to shut down individual units prior to the end of their useful lives. Staff agrees that the Study did not comply with this request, and continues to recommend the Company be required to provide the requested investigation with its 2011 IRP Update. CUB proceeded in its comments to state that the Study does not provide a reasonable basis upon which to evaluate PacifiCorp's coal investment. Staff disagrees with this conclusion. *In its review of the Study and responses to related data requests*, Staff concludes the Study provides useful insight into how the existing coal resources, after being brought into full compliance with emerging environmental regulations, as they are currently understood, compare to replacement resources.<sup>4</sup>

Here, Staff has stated both that the Study did not comport with the Commission's and parties' requests for a unit by unit investigation, but concludes that after reviewing "the Study and responses to related data requests," the Study provides "useful insight" into these coal resources. This is a key statement, adding further weight to Joint Parties' argument that a continuance is required in this docket which would allow Joint Parties to review and analyze all of the appropriate information. Accordingly, before the Joint Parties can fully evaluate Staff's position on this issue, they need to first obtain a copy of PacifiCorp's response to DR 198 and obtain copies of the supporting analysis and workpapers for Staff's position on PacifiCorp's coal analysis.

#### **IV. Conclusion**

The Joint Parties are unable to fully and meaningfully participate in this proceeding if they are not provided with the relevant data and analysis, and provided the time to review that information. It would be prejudicial to the Joint Parties if the Public Hearing is not continued until the Joint Parties have all received PacifiCorp's response to DR 198 and the workpapers and

---

<sup>4</sup> Staff Report at 7.

analysis that support Staff's Memo and Proposed Order. For these reasons, the Joint Parties respectfully request that the Commission continue the Public Hearing and set a new date for the public meeting later in December.

Dated this 2<sup>nd</sup> day of December, 2011.

Respectfully submitted,



Meghan Walseth Decker  
Senior Staff Counsel  
Renewable Northwest Project  
503-223-4544 (main office)  
971-634-0151 (direct)  
503-869-9187 (mobile)  
[megan@rnp.org](mailto:megan@rnp.org)



Sommer Templet, OSB #105260  
Staff Attorney  
Citizens' Utility Board of Oregon  
610 SW Broadway, Ste. 400  
Portland, OR 97205  
(503)227-1984  
[sommer@oregoncub.org](mailto:sommer@oregoncub.org)



Wendy Gerlitz  
Senior Policy Associate  
NW Energy Coalition  
Portland, OR  
503-449-0009  
[wendy@nwenergy.org](mailto:wendy@nwenergy.org)



Gloria D. Smith  
Managing Attorney  
Sierra Club Environmental Law Program  
85 Second Street, 2<sup>nd</sup> Floor  
San Francisco, CA 94105  
(415) 977-5532  
[gloria.smith@sierraclub.org](mailto:gloria.smith@sierraclub.org)

**From:** Bob Jenks  
**Sent:** Friday, December 02, 2011 10:06 AM  
**To:** Sommer Templet  
**Subject:** FW: Staff report LC 52

---

**From:** Bob Jenks  
**Sent:** Friday, December 02, 2011 8:48 AM  
**To:** 'COLVILLE Erik E'; 'GALBRAITH Maury'; CONWAY Bryan  
**Subject:** Staff report LC 52

Folks,

It now seems the staff conclusion that PacifiCorp clean air investments are justified all hinges on Data Response 198, which I note most parties have not received. It is not clear how the Staff got from DR198 to the conclusions in its memo. Because this is going before the Commission next week, I ask that the Staff provide the following information today:

1. Please provide workpapers which demonstrate **by unit** how Staff got from DR 198 to the conclusion that pres-2015 investments are in the range of 2 to 5 % of fixed cost NPV.
2. Please explain how this, combined with IRP Table 6.3 demonstrates that the investments in clean air are economic.

Bob Jenks  
Executive Director  
Citizens' Utility Board of Oregon  
610 SW Broadway, Suite 400  
Portland, OR 97205

bob@oregoncub.org  
503-227-1984 x15  
503-753-4190 (wireless)

\*\*\*\*\* CONFIDENTIALITY NOTICE \*\*\*\*\*

This e-mail may contain information that is privileged, confidential, or otherwise exempt from disclosure under applicable law. If you are not the addressee or it appears from the context or otherwise that you have received this e-mail in error, please advise me immediately by reply e-mail, keep the contents confidential, and immediately delete the message and any attachments from your system.

## LC 52 – CERTIFICATE OF SERVICE

I hereby certify that, on this 2<sup>nd</sup> day of December, 2011, I served the foregoing **MOTION TO CONTINUE PUBLIC MEETING OF THE CITIZENS' UTILITY BOARD OF OREGON, NORTHWEST ENERGY COALITION, RENEWABLE NORTHWEST PROJECT, AND SIERRA CLUB** in docket LC 52 upon each party listed in the LC 52 Service List by email and, where paper service is not waived, by U.S. mail, postage prepaid, and upon the Commission by email and by sending one original and one copy by U.S. mail, postage prepaid, to the Commission's Salem offices.

**(W denotes waiver of paper service)**

**(C denotes service of Confidential material authorized)**

**W OREGON DEPT OF ENERGY**

**C REBECCA SHERMAN**  
625 MARION ST NE  
SALEM OR 97301  
[rebecca.sherman@state.or.us](mailto:rebecca.sherman@state.or.us)

**W COMMUNITY ACTION PARTNERSHIP OF OREGON**

**JESS KINCAID**  
PO BOX 7964  
SALEM OR 97301  
[jess@caporegon.org](mailto:jess@caporegon.org)

**W DAVISON VAN CLEVE**

**C IRION A SANGER**  
333 SW TAYLOR - STE 400  
PORTLAND OR 97204  
[mail@dvclaw.com](mailto:mail@dvclaw.com)

**W DEPARTMENT OF JUSTICE**

**C JANET L PREWITT**  
1162 COURT ST NE  
SALEM OR 97301-4096  
[janet.prewitt@doj.state.or.us](mailto:janet.prewitt@doj.state.or.us)

**W ESLER STEPHENS & BUCKLEY**

**C JOHN W STEPHENS**  
888 SW FIFTH AVE STE 700  
PORTLAND OR 97204-2021  
[stephens@eslerstephens.com](mailto:stephens@eslerstephens.com);  
[mec@eslerstephens.com](mailto:mec@eslerstephens.com)

**W NW ENERGY COALITION**

**C WENDY GERLITZ**  
1205 SE FLAVEL  
PORTLAND OR 97202  
[wendy@nwenergy.org](mailto:wendy@nwenergy.org)

**W NW ENERGY COALITION**

**C FRED HEUTTE**  
PO BOX 40308  
PORTLAND OR 97240-0308  
[fred@nwenergy.org](mailto:fred@nwenergy.org)

**W PACIFIC POWER**

**MARY WIENCKE**  
825 NE MULTNOMAH ST STE 1800  
PORTLAND OR 97232-2149  
[mary.wiencke@pacificcorp.com](mailto:mary.wiencke@pacificcorp.com)

**W OREGON DEPT OF ENERGY**

**C VIJAY A SATYAL**  
625 MARION ST NE  
SALEM OR 97301  
[vijay.a.satyal@state.or.us](mailto:vijay.a.satyal@state.or.us)

**W PACIFIC POWER**

**OREGON DOCKETS**  
825 NE MULTNOMAH ST STE 2000  
PORTLAND OR 97232  
[oregondockets@pacificcorp.com](mailto:oregondockets@pacificcorp.com)

LC 52 - Certificate of Service **MOTION TO CONTINUE PUBLIC MEETING OF THE CITIZENS' UTILITY BOARD OF OREGON, NORTHWEST ENERGY COALITION, RENEWABLE NORTHWEST PROJECT, AND SIERRA CLUB**



**W PACIFICORP ENERGY**  
PETE WARNKEN  
825 NE MULTNOMAH - STE 600  
PORTLAND OR 97232  
[irp@pacificorp.com](mailto:irp@pacificorp.com)

**W PORTLAND GENERAL ELEC.**  
BRIAN KUEHNE  
121 SW SALMON ST 3WTC BR06  
PORTLAND OR 97204  
[brian.kuehne@pgn.com](mailto:brian.kuehne@pgn.com)

**W PORTLAND GENERAL ELEC.**  
RANDY DAHLGREN  
121 SW SALMON ST - 1WTC0702  
PORTLAND OR 97204  
[pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)

**W PUBLIC UTILITY COMMISSION**  
**C ERIK COLVILLE**  
PO BOX 2148  
SALEM OR 97308-2148  
[erik.colville@state.or.us](mailto:erik.colville@state.or.us)

**W PORTLAND GENERAL ELEC.**  
V. DENISE SAUNDERS  
121 SW SALMON ST 1WTC1301  
PORTLAND OR 97204  
[denise.saunders@pgn.com](mailto:denise.saunders@pgn.com)

**W REGULATORY &**  
**C COGENERATION SRVCS INC**  
DONALD W SCHOENBECK  
900 WASHINGTON ST STE 780  
VANCOUVER WA 98660-3455  
[dws@r-c-s-inc.com](mailto:dws@r-c-s-inc.com)

**W DEPARTMENT OF JUSTICE**  
**C JASON W JONES**  
1162 COURT ST NE  
SALEM OR 97301-4096  
[jason.w.jones@state.or.us](mailto:jason.w.jones@state.or.us)

**W RENEWABLE NW PROJECT**  
**C JIMMY LINDSAY**  
917 SW OAK STREET, SUITE 303  
PORTLAND OR 97205  
[jimmy@rnp.org](mailto:jimmy@rnp.org)

**W RENEWABLE NW PROJECT**  
**C MEGAN WALSETH DECKER**  
917 SW OAK, STE 303  
PORTLAND OR 97205  
[megan@rnp.org](mailto:megan@rnp.org)

**W SIERRA CLUB**  
JEFF SPEIR  
85 SECOND ST., 2ND FLR  
SAN FRANCISCO CA 94105  
[jeff.speir@sierraclub.org](mailto:jeff.speir@sierraclub.org)

**W SYNAPSE ENERGY**  
**C JEREMY FISHER**  
485 MASSACHUSETTS AVE., STE 2  
CAMBRIDGE MA 02139  
[jfisher@synapse-energy.com](mailto:jfisher@synapse-energy.com)

**W SIERRA CLUB LAW PROGRAM**  
**C GLORIA D SMITH**  
85 SECOND STREET  
SAN FRANCISCO CA 94105  
[gloria.smith@sierraclub.org](mailto:gloria.smith@sierraclub.org)

//

//

//

//

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sommer Templet". The signature is written in a cursive, flowing style.

Sommer Templet, OSB #105260  
Staff Attorney  
Citizens' Utility Board of Oregon  
610 SW Broadway, Ste. 400  
Portland, OR 97205  
(503)227-1984  
[sommer@oregoncub.org](mailto:sommer@oregoncub.org)