

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 **UM 1610 – PHASE IIA**

4 In the Matter of

5 PUBLIC UTILITY COMMISSION OF
6 OREGON
7 Investigation into Qualifying Facility
8 Contracting and Pricing.

9 **JOINT MOTION TO CLOSE PHASE IIA**

10 **I. INTRODUCTION**

11 In accordance with OAR 860-001-0420, Staff of the Public Utility Commission of Oregon
12 (Staff), Idaho Power Company (Idaho Power), Portland General Electric Company (PGE), PacifiCorp
13 dba Pacific Power (PacifiCorp), the Oregon Department of Energy (ODOE), Gardner Capital Solar
14 Development (Gardner Capital), the Renewable Energy Coalition (REC), and Renewable Northwest
15 (collectively, the Joint Parties) submit this joint motion requesting that the Public Utility Commission
16 of Oregon (Commission) close Phase IIA of docket UM 1610, which was opened to address the
17 treatment of solar integration costs in utility avoided cost prices, and instead allow utility specific solar
18 integration dockets. The Joint Parties represent every party that participated in the Phase IIA
19 prehearing conference, except Obsidian Renewables (Obsidian). Obsidian's position is that the
20 Commission can only approve a solar integration charge through rulemaking.

21 After much discussion regarding the scope of Phase IIA, and at the request of Staff and the non-
22 utility parties, the Joint Parties have concluded that they will be unable to meaningfully examine solar
23 integration costs in the generic, non-utility-specific manner contemplated by the Commission when it
24 opened Phase IIA. As discussed below, the Joint Parties agree that an investigation into solar
25 integration costs should be based on a utility-specific filing. Therefore, the Joint Parties request that in
26 addition to closing Phase IIA of docket UM 1610, the Commission address Idaho Power's pending
27 request for approval of a solar integration charge in an Idaho Power-specific case, as discussed below.

28 While the Joint Parties recognize this request is contrary to the Commission's clearly articulated
29 preference, the Joint Parties believe that their recommended approach will result in both administrative

1 efficiency and allow Staff and intervenors a reasonable opportunity to examine solar integration
2 charges.

3 II. BACKGROUND

4 On April 24, 2015, Idaho Power filed an application requesting approval of a solar integration
5 charge to be incorporated into avoided cost prices, along with Idaho Power's solar integration study and
6 supporting testimony. Idaho Power's filing was docketed as UM 1725.

7 On June 23, 2015, the Commission issued Order No. 15-199 in docket UM 1725, which directed
8 the parties to address the level of solar integration charges to incorporate into avoided cost prices in the
9 ongoing generic PURPA investigation, docket UM 1610.¹ Idaho Power sought clarification of this
10 aspect of Order No. 15-199 to determine whether Idaho Power's individual filing would be deferred or
11 delayed pending the outcome of docket UM 1610. In Order No. 15-230, the Commission denied Idaho
12 Power's request

13 The issues presented by Idaho Power's application for approval of a
14 solar integration charge should be addressed in a general investigation
15 docket, rather than treated as an Idaho Power-specific issue or a subset
16 of issues. To accomplish this, we direct the Administrative Hearings
17 Division to open a Phase IIA in docket UM 1610 to address, on an
18 expedited basis, whether the impact of solar QF projects on electric
19 utilities' avoided costs warrants the imposition of a solar integration
20 charge and, if so, how such a charge should be calculated.²

21 Thus, the Commission directed the parties to address two questions in Phase IIA of this docket:

- 22 (1) Whether the impact of solar QF projects on electric utilities' avoided
23 costs warrants the imposition of a solar integration charge?
24 (2) If so, how such a charge should be calculated?

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26 ¹ *Re Idaho Power Co. Application to Lower Standard Contract Eligibility Cap and to Reduce the
Standard Contract Term, for Approval of Solar Integration Charge, and for Change in Resource
Sufficiency Determination*, Docket No. UM 1725, Order No. 15-199 at 7 (June 23, 2015).

² *Re Idaho Power Co. Application to Lower Standard Contract Eligibility Cap and to Reduce the
Standard Contract Term, for Approval of Solar Integration Charge, and for Change in Resource
Sufficiency Determination*, Docket No. UM 1725, Order No. 15-230 at 4 (Aug. 6, 2015).

1 **III. DISCUSSION**

2 On September 2, 2015, the Joint Parties participated in a prehearing conference in Phase IIA of
3 docket UM 1610. In addition to adopting a procedural schedule, Administrative Law Judge Sarah
4 Rowe also invited the parties to discuss the scope of Phase IIA.

5 The Joint Parties held discussions for nearly an hour, focusing much of their attention on defining
6 the proper scope for Phase IIA. During those discussions, Staff and the non-utility intervenors
7 indicated that it would be difficult to answer the Commission's questions in the abstract, as opposed to
8 responding to a completed solar integration study, including proposed charges.³ Similarly, the Joint
9 Parties agree that it would be extremely difficult to develop broad, universally applicable principles or
10 standards for solar integration charges without extensive reference to a utility study. Given that Idaho
11 Power is the only utility that has completed a solar integration study, Staff and intervenors contend that
12 the Idaho Power-specific study would need to serve as the centerpiece of the generic Phase IIA
13 investigation. Thus, the Joint Parties realize that the desired generic investigation would, as a practical
14 matter, become a utility-specific proceeding based on Idaho Power's study.

15 Moreover, the Joint Parties are in general agreement that the methodology used by Idaho Power is
16 specific to its system and the Joint Parties recognize that Idaho Power's methodology will not
17 necessarily work for PacifiCorp and PGE. Just as each utility's wind integration study is specifically
18 tailored to each utility's system, so too each utility's solar integration studies will be specifically
19 tailored to its system. Therefore, the Joint Parties agree that a generic investigation focusing on Idaho
20 Power' study could have limited applicability when PacifiCorp and PGE conduct their own studies.

21 The Joint Parties recognize that the Commission was clear that it wished to address solar
22 integration in a generic proceeding. After much discussion, however, the Joint Parties ask the
23 Commission to reconsider its prior decision and allow Idaho Power's solar integration application to
24 proceed on a utility-specific basis. Idaho Power is nearing completion of its second solar integration

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26 ³ The Joint Parties discussion centered on the second question, after largely agreeing that is
reasonable to account for solar integration costs to the extent the utilities can demonstrate the
costs are material.

1 study, which is expected to be completed by the end of the year. Once this study is complete, the Joint
2 Parties ask the Commission to allow Idaho Power to file the study, either as part of docket UM 1725 or
3 as a stand-alone filing, and recommend that the Commission allow Idaho Power's proposal to move
4 forward on a stand-alone basis.

5 When PacifiCorp and PGE have conducted their own integration studies, they can present those
6 studies to the Commission to demonstrate that solar penetration on their respective systems warrant an
7 integration charge.

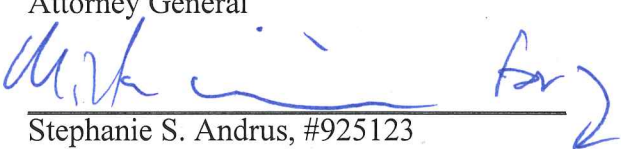
8 **IV. CONCLUSION**

9 The Joint Parties request that the Commission close Phase IIA of docket UM 1610 and allow
10 Idaho Power's request for a solar integration charge to proceed on a utility-specific basis.

11 Respectfully submitted this 8th day of September, 2015.

12 Respectfully submitted,

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