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March 11, 2013

*Via Electronic Filing and U.S. Mail*

Oregon Public Utility Commission  
Attention: Filing Center  
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**Re: UM 1182 - INVESTIGATION REGARDING COMPETITIVE BIDDING**

Attention Filing Center:

Enclosed for filing in UM 1182 are an original and five copies of:

- **PORTLAND GENERAL ELECTRIC COMPANY'S PHASE II REPLY BRIEF**

This document is being filed by electronic mail with the Filing Center. An extra copy of the cover letter is enclosed. Please date stamp the extra copy and return to me in the envelope provided.

This document is being served electronically upon the UM 1182 service list.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in blue ink that reads "D. White". The signature is written in a cursive, flowing style.

David F. White  
Assistant General Counsel

DFW:smc  
Enclosures  
cc: Service List-UM 1182

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1182

In the Matter of	)	
	)	
PUBLIC UTILITY COMMISSION OF	)	PHASE II – REPLY BRIEF
OF OREGON	)	OF PORTLAND GENERAL
	)	ELECTRIC COMPANY
Investigation Regarding Competitive Bidding	)	
_____	)	

**I. Introduction**

Pursuant to the prehearing conference memorandum dated September 27, 2012, Portland General Electric Company (PGE) files this Reply Brief.

The Commission directed parties in Phase II to review "the appropriate analytic framework and methodologies to use to evaluate and compare resource ownership to purchasing power from an independent power producer (Guideline 10(d))." Order No. 11-001 at 6. To this end, the Commission requested a "more comprehensive accounting and comparison of all of the relevant risks, including consideration of construction risks, operation and performance risks, and environmental regulatory risks." *Id.* In short, the Commission sought a more detailed understanding of the relevant risks to assist the Independent Evaluator (IE) in comparing Independent Power Producer (IPP) bids against benchmark resources.

The principal issue developed in the record before the Commission is whether a rigid, generic adder approach, proposed by NIPPC, offers a "more comprehensive accounting and comparison" that would improve the IE evaluation of competing IPP bids

and benchmark resources. The resounding answer is no; generic adders should be rejected because the evidence reveals they will not assist the IE in conducting an objective and fair evaluation of competing IPP and benchmark bids.

Generic adders are inappropriate because, by definition, they cannot take into account the uniqueness of each Request for Proposal (RFP) or the specific bid options that respond to the RFP. They ignore the particular risks of third-party ownership resources and the individual characteristics of the benchmark resource proposal. Moreover, NIPPC fails to recognize the complexity and variety of contractual terms for benchmark resources and Power Purchase Agreements (PPA) that dramatically impact each bid's risk profile. A generic adder approach is not in the best interest of our customers because it cannot capture the individualized risk profile of each bid and is counterproductive to the goal of selecting the least-cost, least-risk alternative.

Because the opening briefs provided a comprehensive review of the evidence, we will limit our reply brief to responding to specific new issues identified in the opening briefs. The remainder of this reply brief is organized as follows:

- Section II addresses methodological problems with NIPPC's approach;
- Sections III through VI each address one of the four items in this Phase II (heat rate degradation, construction cost variance, wind capacity factors, and counterparty risk);
- Section VII responds to several remaining arguments in the opening briefs; and
- Section VIII provides our recommendations and conclusions.

## **II. METHODOLOGICAL PROBLEMS WITH NIPPC'S GENERIC ADDER APPROACH**

### **A. NIPPC's Approach Relies on the Mistaken Premise that the Terms of PPAs Are Uniform and Offer Fixed Price Alternatives**

NIPPC's opening brief confirms that the proposed generic adder approach is based on the fundamental assumption that IPPs provide a fixed cost, no risk alternative. NIPPC Brf. at 1. It is against this fixed price, risk free baseline that any uncertainty relating to benchmark resources is assessed by NIPPC's proposed generic adders. This fundamental assumption cannot withstand scrutiny. As Staff concluded "each IPP and power purchase agreement (PPA) is unique to a certain degree and it does not further the analysis to speak in terms of 'typical' PPA or that PPAs 'usually' account for a particular risk." Staff Brf. at 2. NIPPC ignores the current commercial environment with contractual structures including fixed or variable price PPAs, tolling agreements with varying degrees of market exposure, or lease agreements that have different terms and conditions that create different types and degrees of risk. PAC/200, Kusters/4. Finally, NIPPC has refused to supply evidence supporting its broad claims. When asked to provide copies of executed PPAs that support its generalized claims, NIPPC has repeatedly declined to do so. PGE/400, 401, 403, 404, 406, 407 and 409.

NIPPC's statement that "independent power producers (IPP) must bid fixed price power purchase agreement" is simply false and unsubstantiated. NIPPC Brf. at 1. Under the Competitive Bidding Guidelines, IPPs have flexibility to make proposed changes to the terms of template PPAs and provide for contingencies. Order No. 06-446, Guideline 6, at 7. To provide just a few examples of the flexibility and options that are possible, tolling agreements may not contain heat rate guarantees, in which case heat rate risk is on

the buyer, and IPPs have been reluctant to agree to capacity factor guarantees for wind generating facilities. PGE/100, Outama-Bettis-Mody-Hager/17; PAC/100, Kusters/8-9.

It also bears noting that NIPPC's own positions in this docket hardly confirm that its members will agree to such ironclad fixed price, no risk PPA terms. Thus, while touting the fixed price, no risk benefits of PPAs to support its generic adder approach, NIPPC objects to the use of non-negotiable terms. NIPPC Brf. at 19. If PPAs bids really offer a fixed price with no risk, why does NIPPC oppose non-negotiable terms that would implement this structure at the bid evaluation stage?

Instead, NIPPC lauds the Commission's goal for the negotiation process that it "be flexible, allowing the contracting parties to negotiate mutually beneficial exchange agreements." *Id.* NIPPC's right to argue for flexibility in negotiating individualized PPAs is beyond question. However, that position cannot be squared with its fundamental position that PPA bids offer fixed price, no risk alternatives to benchmark bids.

**B. The Process NIPPC Proposes For Applying Adders Is Unworkable and Undermines Its Own Position**

The process NIPPC proposes to impose adders is unworkable at best. NIPPC Brf. at 8. NIPPC's proposal is not that generic adders be applied without any further process. Perhaps because NIPPC recognizes that generic adders may not be appropriate depending on the particular facts and circumstances of each bid, NIPPC proposes a complex and elaborate process whereby the IE would apply the NIPPC proposed adders to benchmark bids and create the shortlist. NIPPC Brf. at 8; NIPPC/100, Monsen/3. The utility can then attempt to litigate before the Commission whether adders are inappropriate given the specific bid characteristics. The utility bears the burden of proof. The IE, Staff, and non-

bidding stakeholders submit comments and then the Commission must issue a final order.

*Id.*

This extended review process is telling for several reasons. First, administrative problems undermine this approach. An extended process runs the risk of losing favorable bids that will be unwilling to wait while these issues are litigated before the Commission. Moreover, this approach fundamentally changes the structure of RFPs, under which the utility and IE use the same scoring criteria and the IE reviews the utility's scoring. NIPPC essentially proposes that the IE use different scoring criteria than the utility. This changes the IE role from evaluator to serving as the primary decision maker with respect to the bids shortlisted.

It also fundamentally changes the role of the Commission. Currently, the Commission reviews and approves the final draft RFP (under Guideline 7) and ensures compliance with the competitive bidding guidelines. Under NIPPC's proposal, the Commission would bear the ultimate responsibility for whether or not to apply the adders and, therefore, the final decision maker with respect to the bids included in the shortlist, and in essence the decision maker for the resources to be procured. Such a fundamental restructuring is outside the scope of this phase and the need for such a fundamental shift is unsupported. Most important, NIPPC's proposal is in stark contradiction to the Commission's repeated statements regarding the respective roles of the Commission, the utility, and the IE in the resource procurement process. Order No. 06-446, Guideline 10 (the utility conducts the RFP process, scores the bids, selects the initial and final shortlist, and undertakes negotiations with bidders).

Finally, the convoluted process NIPPC proposes undermines its own position. Throughout this docket our position has been that the evaluation of IPP and utility bids alike must focus on the characteristics of each bid. Generic adders are unwarranted, because the particular risk and price characteristics of each bid are most important and cannot be ignored if the goal is to select the least-cost, least-risk resource. Critical differences in price and risk vary based on bid characteristics and do not follow a simple PPA, benchmark dichotomy.

NIPPC opposes this structure and has argued that generic bid adders should be required regardless of the structure of the PPA or the particular structure of the benchmark bid. We believe the evidence supports our position – to give just one example, an appropriately structured EPC contract with cost guarantees and reasonable contingencies for change orders has less cost uncertainty and risk than an IPP bid that is proposing pricing flexibility or annual heat rate resets and other elements that undermine price certainty.

More important, NIPPC's proposed process, which allows a case-by-case review of the bid characteristics before the Commission determines whether adders are appropriate, is an admission that a generic adder approach can never be justified. Consideration of the individual bid characteristics is always necessary to assess the unique combination of risk and price of each bid, in which case generic adders serve no function.

### **III. Heat Rate Degradation**

NIPPC's heat rate degradation argument targets a straw man. Entering into this docket, NIPPC assumed that utilities failed to consider heat rate degradation in their

benchmark bid submittals or somehow denied its existence. In opening testimony, Monsen acknowledged that the heat rate degradation adder would *not* be appropriate if utilities accounted for this factor: "if the utility were to reflect future increases in heat rate for the UOG (utility owned generation), then a heat rate adder may not be needed." NIPPC/100, Monson/3. Each utility has testified that it applies a heat rate degradation factor to benchmark resources. PGE/100, Outama-Bettis-Mody-Hager/16; PAC/100, Kusters/11-12; Idaho Power/100, Stokes/12-13.

In its opening brief, NIPPC continues to attack positions of its own making that bear little resemblance to our actual position: "The utilities have overcomplicated the issue, and *have failed to disprove the overwhelming evidence that heat rate degradation occurs.*" NIPPC Brf. at 14 (emphasis added). We have never disputed that heat rate degradation occurs. In fact, our analysis of benchmark bids assumes that it occurs and models it based on the turbine manufacturers' specifications. PGE/100, Outama-Bettis-Mody-Hager/17. No adder is necessary because PGE and the other utilities appropriately account for heat rate degradation.

We will not repeat the many flaws in NIPPC's heat rate degradation data set that Staff and the utilities discussed in testimony and opening briefs. The sample was dominated by different equipment (single cycle gas combustion turbines), included plants that were commissioned almost 100 years ago, ignored the fact that utilities forecast heat rate degradation, and failed to take into account differences in maintenance, operation, and plant dispatch. *See* PGE Brf. at 13-16.

Finally, NIPCC's claim that "Oregon ratepayers have borne the costs of heat rate degradation" is simply false. NIPPC Brf. at 13. PGE's only thermal resource selected

through a competitive bidding process – Port Westward I – included heat degradation and the cost of the LTSA in the bid pricing. The actual performance of the plant was better than the heat rate degradation forecasted in the Port Westward I bid. PGE/100, Outama-Bettis-Mody-Hager/19. If anything, customers benefitted from heat rate performance superior to that forecasted in the cost of the Port Westward I bid.

#### **IV. Construction Cost Variance from Projected Construction Cost**

In its opening brief, NIPPC continues to raise issues beyond the scope of Phase II. As part of its cost over-run adjustment, NIPPC seeks to include capital costs during the first five years after construction. This was not one of the four items included in the Commission's order establishing the scope of Phase II. NIPPC's testimony on this subject should be disregarded.

NIPPC further attempts to expand the scope of issues and potential risks of the benchmark resource to include risk associated with "latent defects appearing after expiration of the EPC contract, the utility's *ownership* of the project and any problems arising beyond the scope of the EPC contractor's liability." NIPPC Brf. at 11 (emphasis in original). Costs and benefits of utility ownership after construction were included under Item 2 – End Effects, which the Commission specifically did not include among the issues in this Phase II.

NIPPC's claim that "utilities have failed to rebut the evidence that they have each "gold plated" their UOG projects after the scrutiny of their projects' initial installed costs" is unfounded. NIPPC Brf. at 12. First, NIPPC offered no evidence for PGE to rebut that PGE gold-plated either its Port Westward I or Biglow Canyon projects. In fact, PGE

submitted evidence showing that each projected was completed under budget. PGE/100, Outama-Bettis-Mody-Hager/23-24. NIPPC offers no evidence suggesting otherwise.

With respect to the Biglow Canyon project, NIPPC claims that there are no comparable RFP cost projections to compare to actual construction costs. NIPPC Brf. at 11-12. We have never disputed this claim. The budgets to which Biglow Canyon's actual construction costs were compared were rate case estimates. PGE/100, Outama-Bettis-Mody-Hager/24. By this measure, PGE completed Biglow Canyon under budget.

NIPPC is in no position to complain about whether our construction cost examples are representative of RFP-like conditions. NIPPC provided no evidence suggesting that its hand-picked data set of California plants were submitted in connection with an RFP process. On the contrary, the plants in NIPPC's data set were developed under extraordinary conditions that are unlike the circumstances under which budgets are prepared and submitted in Oregon competitive bidding processes. *See* PGE Brf. at 18.

NIPPC appears to argue that the use of a construction cost contingency supports its adder approach. NIPPC Brf. at 8. In fact, the use of a construction cost contingency to account for change order risk demonstrates that NIPPC's proposed adder is inappropriate. As PGE's witnesses testified, the emergence of EPC cost guarantees mitigates a large proportion of the total construction cost risk leaving a residual risk that is "very small." PGE/100, Outama-Bettis-Mody-Hager/21. This residual risk is addressed by managing the change order process and through a construction cost contingency. *Id.*

NIPPC's claim, that only PacifiCorp uses a contingency for EPC contracts, is inaccurate. NIPPC Brf. at 9. NIPPC first raised the issue of construction cost

contingencies in the final round of testimony, leaving PGE no opportunity to respond through testimony. PGE incorporates contingencies in its new build utility ownership bids. If bidders indicated that contingency costs were not included in the bid submission, a contingency would be added to the cost of the bid – third party bid or benchmark bid – by the RFP evaluation team.

We will not repeat the many flaws in NIPPC's cost over-run study that we and other parties identified in opening briefs. We concur with Staff's assessment that "NIPPC's work is based on incorrect facts, an insufficient data base and, in some cases, gross-oversimplification of the data." Staff Brf. at 9. Nothing in NIPCC's opening brief answers these telling objections.

## **V. Wind Capacity Factor**

The opening briefs filed on behalf of the utilities and Staff revealed the many shortcomings of the NIPPC study of wind capacity factors. To name just a few of the flaws in NIPPC's data set:

- The time period covered was limited to a few years of data, well short of the robust data set needed for a reliable indicator (PGE/200, Outama-Bettis-Mody-Hager/6-7);
- The time period covered is likely not representative, because forecasting methodologies are evolving and improving; (PGE/100, Outama-Bettis-Mody-Hager/26; PGE/200, Outama-Bettis-Mody-Hager/7);
- The data set was extremely limited in number – consisting exclusively of PacifiCorp facilities over the last several years (PGE/200, Outama-Bettis-Mody-Hager/6-7)

- The analysis failed to account for seasonality or that the wind facilities were located in three distinct regions with distinct weather patterns (PGE/200, Outama-Bettis-Mody-Hager/6-7);
- Only one of the wind facilities in NIPPC's sample was evaluated as a benchmark resource and, in that case, the actual capacity factor during the first full year of operation was significantly above what was predicted during the RFP evaluation (PacifiCorp Brf. at 15; PAC Exhibit 206).

Without a reliable study or data set, the application of asymmetric adders against benchmark bids would introduce, not remove, bias and could lead to the selection of higher cost/higher risk resources. NIPCC's opening brief offers no new evidence or answers to these dispositive objections.

In its opening brief, NIPPC claims that utilities have an incentive to over forecast the capacity factor. NIPPC Brf. at 16. The use of an independent wind capacity expert, which both PGE and PacifiCorp support, will address this concern by ensuring that the capacity factor methodology and approach are consistent between benchmark and IPP bids. This ensures that no bias will result from NIPCC's alleged incentive to over forecast wind generation. Given that the independent wind expert is responsible for ensuring consistent wind capacity factor methodology between benchmark and IPP bids, the application of adders makes no sense.

NIPPC makes the puzzling statement that adders are still needed (in addition to an independent wind capacity expert) to "address the differential in risk of a forecasting error between a UOG and IPP project. Only bid adders can fully address this risk."

NIPCC Brf. at 17. NIPPC's argument – which CUB adopts (CUB Brf. at 13) – collapses under even the most cursory review.

As a threshold matter, NIPPC misstates the purpose of adders, which is not to remove forecasting risk. The risk of forecasting error exists whether adders are used or not. Actual wind capacity factors inherently may vary from forecasted capacity factors, for IPP and utility alike, whether or not adders are applied. NIPPC proposes adders to allegedly place IPP bids and benchmark bids on comparable footing. The use of an independent wind expert accomplishes that goal, rendering the use of adders unnecessary.

Just as important, the use of an independent wind expert will ensure consistency in wind capacity factor methodologies. In other words, the "differential in risk of a forecasting error between a UOG and IPP project" will be eliminated, because the capacity factor methodology will be consistent among benchmark and IPP bids.

An example will illustrate these points. Assume the independent wind expert reviews IPP and utility projects and assures that each uses a consistent wind capacity factor methodology. For simplicity, assume the application of the methodology reviewed by the expert indicates that the capacity factor for both the utility and IPP project is 35%. Application of an adder would be inappropriate given that the wind capacity factor methodology is consistent and application of an adder would introduce, not remove, bias. Adders would not address the "differential in risk" of forecasting error because there is no such "differential" to address and adders do not remove the inherent risk of forecasting errors, which apply to both IPP and benchmark bids alike.

## **VI. Counterparty Risk**

NIPPC argues that there is no basis for giving weight to counterparty risk because the "risk of actual damages to ratepayers is mitigated by PPA terms and the excess supply that exists in the market." NIPPC Brf. at 18. This type of reasoning is unpersuasive. NIPPC's logic simply assumes away any circumstances that could cause customers harm. It assumes favorable PPA terms, which may or not exist depending upon negotiation of the PPA; it assumes an adequate supply of energy in the marketplace; and most important, it assumes a creditworthy counterparty against whom a remedy will be obtained.

But these assumptions are anything but certain. PPA terms may not be adequate to protect the utility and our customers from the additional cost of obtaining replacement power. Aside from this financial risk, customers are exposed to physical risk that excess supply may not exist in the market or transmission may be unavailable to transmit the available energy to PGE's load. Most important, NIPPC assumes that there is a viable, creditworthy entity against whom the PPA terms can be enforced, which is the entire point of assessing counterparty risk.

NIPPC's other claims in its opening brief have been already addressed in our opening brief, so we will address each argument only briefly:

PGE's use of credit is transparent. PGE Brf. at 33. PGE's RFP includes a detailed list of factors that are considered in completing the credit risk evaluation. PGE/200, Outama-Bettis-Mody-Hager/15; PGE Exhibit 202. Bidders that are not rated by one of the major rating agencies are able to satisfy the credit threshold and are evaluated

consistent with industry standards. PGE/100, Outama-Bettis-Mody-Hager/32, *EI Master Power Purchase Agreement*, PGE Exhibit 401, Articles 5 and 8.

NIPPC's opening brief mentions, without offering much support, its expert's proposed 9% counterparty adder. NIPPC Brf. at 19. This counterparty adder against the utilities is not designed to further the goal of selecting the bid with the best mix of risk and cost for our customers. In many cases NIPPC's adder has the exact opposite effect – less risky bids will be handicapped by the application of NIPCC's proposed adder. NIPCC's brief offers no new arguments for this adder, which NIPPC first proposed in reply testimony.

NIPPC continues to argue for delaying the application of credit scoring until after a PPA has been signed. NIPCC Brf. at 19. As we noted in our opening brief, this approach is neither warranted nor feasible. It is not warranted because PGE has seen robust participation in its RFPs and IPPs are already required to satisfy credit requirements to participate in the wholesale power markets. PGE/200, Outama-Bettis-Mody-Hager/13; UM 1535, Report of Independent Evaluator at 26 (nineteen bids and fourteen alternative bids); UM 1345, Final Report of the Independent Evaluator at 4 (thirty eight bids received)<sup>1</sup>. It is not feasible to delay credit scoring because this will lead to many false starts and ignores the timing of the utility's electricity need and its reliability concerns.

Finally, NIPPC's argument that the introduction of non-negotiable terms is beyond the scope of this docket phase is unpersuasive. NIPPC Brf. at 19. NIPPC created this issue by claiming that PPA bids provide fixed price certainty without risk of price

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<sup>1</sup> PGE requests that the Commission take official notice of these IE reports under OAR 860-001-0460(1)(d) given that these reports are made part of the Commission's files in the regular course of business.

volatility. The introduction of non-negotiable terms into this phase is a logical implication of NIPPC's adder approach and to assessing, appropriately, counterparty risk.

## **VII. Other Arguments**

NIPPC claims that it has presented substantial evidence to support adders. NIPPC Brf. at 17-18. NIPPC's position on "substantial evidence" is unpersuasive because NIPPC assumes valid, supported studies showing the need for adders and then claims it has met its burden of providing substantial evidence. The problem is that the NIPPC studies are neither reliable nor supported by robust evidence. The only evidence offered to support adders –NIPPC's studies – has been roundly criticized and thoroughly undermined by Staff and the utilities.

NIPPC also claims that it has provided evidence that the utilities are not currently conducting fair RFPs. NIPPC Brf. at 18. PGE presented unrebutted evidence showing that IEs have uniformly concluded that PGE has conducted fair and transparent RFPs.

- “The RFP evaluation process and modeling treated all bidders fairly.” (*Final Report of the Independent Evaluator at 2, Portland General Electric Company’s Request for Proposals for Renewable Energy Resource, OPUC Docket UM 1345 (January 28, 2009) quoted in PGE/100, Outama-Bettis-Mody-Hager/13-14*).
- “We believe PGE conducted the RFP fairly and without bias towards or against any bidder or type of generation. The criteria and evaluation used to establish the Final Short-list was fully reviewed by the IE, and we found it to be consistently applied to all bids.” *Id.* at 26.

- “. . . in our view, the bid evaluation criteria did not contain undue biases supporting company ownership in projects and actually the criteria may have even been slightly biased against such an option.” (*Portland General Electric Company Request for Proposals for Power Supply Resources Final Report of the Independent Observer*, Merrimack Energy Group, Inc., OPUC Docket UM 1080 at 29, 55 (September 6, 2004) quoted in PGE/100, Outama-Bettis-Mody-Hager/13-14).
- “The evaluation process was a very fair and comprehensive process. In our view, the level of effort and diligence exhibited by members of the evaluation team was extraordinary.” *Id.* at 55.

Staff agrees with our assessment. In its opening brief and testimony, Staff argues that the absence of any mention of major problems in the IE reports for any of the utilities indicates that adopting NIPPC's proposed adders is not warranted. Staff Brf. at 14; Staff/200, Proctor/5-6, 17, 20-21.

### **VIII. Recommendations and Conclusions**

For the reasons stated above and in PGE's prehearing brief, the Commission should adopt PGE's recommendations, which are as follows:

**Heat Rate Degradation:** In its evaluation and scoring of competitive bids, PGE already considers the heat rate degradation for thermal benchmark resources based on the turbine manufacturer's specifications. The evidence reveals that no improvements to this approach are currently needed or practical. Accordingly, PGE recommends no change in the evaluation and analysis of competitive bids for this item.

**Cost Over-Runs and Under-Runs:** The record reveals insufficient evidence to show bias in the evaluation process reflecting "under forecasts" of the construction cost associated with ownership proposals, including benchmark resources. PGE proposes that benchmark bids that contain cost caps supported by third party agreements like Engineering, Procurement & Construction agreements or agreements with the turbine manufacturer receive a higher bid score.

**Wind Capacity Factors:** No evidence has been introduced to support an asymmetric, mechanical wind capacity factor adder for benchmark resource projects. PGE supports use of a qualified and independent third-party technical expert to review the expected wind capacity factor associated with each project on the initial short list, including benchmark resources. PGE/200, Outama-Bettis-Mody-Hager/10.

**Counterparty Risk:** PGE proposes enhancements to its current treatment of counterparty risk in the RFP scoring matrix. PGE's current approach incorporates a limited aspect of counterparty risk – primarily, credit risk – into the evaluation process. PGE proposes consideration of certain non-negotiable terms in the RFP template PPA as a method for mitigating other counterparty risk.

DATED, this 11<sup>th</sup> day of March, 2013.

Respectfully Submitted,



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David F. White, OSB # 011382  
Assistant General Counsel  
Portland General Electric Company

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day caused **PORTLAND GENERAL ELECTRIC COMPANY'S PHASE II REPLY BRIEF** to be served by electronic mail to those parties whose email addresses appear on the attached service list for OPUC Docket No. UM 1182.

Dated at Portland, Oregon, this 11th day of March, 2013.



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