

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 377

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

2021 Annual Power Cost Update Tariff
(Schedule 125).

BENCH REQUEST

This bench request seeks additional detail about the Wheatridge wind facility to facilitate comparison of its performance against the Independent Evaluator's report on the benchmark bids in docket UM 1934, and to allow for potential tracking of Wheatridge's benefits going forward. PGE is directed to file responses to the inquiries identified below within 15 days of the issuance of this bench request. Other parties may file responses within 7 days of PGE's filing.

PGE is asked to respond, as follows:

1. PGE's direct testimony on the Wheatridge wind facility states: "[t]he 100 MW of PGE-owned wind is expected to provide a \$14.8 million power cost benefit..." (PGE/100, Seulean – Kim – Batzler /33). With regard to this statement:
 - a. Please show how the \$14.8 million amount is calculated; and
 - b. If applicable, please separate out the Production Tax Credit (PTC) benefit amount from the Net Power Cost (NPC) amount from zero fuel cost energy.
 - c. For the PTC, please show the calculation with the following components visible, or if the below description is inaccurate please explain PGE's PTC calculation:
 - i. Nameplate capacity * capacity factor = qualifying generation in MWh (i.e., 100 MW * 40% CF * 8760 hours = 350,400 MWh);
 - ii. Qualifying generation in MWh * PTC rate, grossed up for taxes = PTC benefit in dollars. (i.e., 350,400 MWh * 25/MWh = \$8.76 million); and
 - iii. If the Wheatridge calculation is already in PGE's workpapers provided in April 2020, please provide it again as I cannot locate the

correct MONET file. For example, I see the file
“2021AUTWheatridgePGE_PTC” but cannot locate the cells
“K595:V595” referenced for the PTC calculation.

2. In docket UM 1934 the Independent Evaluator described an issue with PGE’s use of the PTC for the benchmark, stating: “[t]his value was reduced for PGE-owned units due to the fact that PGE does not project to have the taxable income to fully use the PTC as it is earned. PGE presumed that any PTC earned would be carried forward as a deferred tax asset and used in the 2027-2030 time frame. The additional carrying cost for this asset was counted against the PGE-owned offer.”¹ Please clarify if this issue is still relevant by explaining how PGE will recognize the PTC in 2021 or in the next few years.
3. If PGE calculated NPC benefits from Wheatridge in response to question 1.c., please describe these benefits. For example describe whether the zero fuel cost energy from Wheatridge is displacing a certain volume of higher prices market transactions that were used before Wheatridge. If possible, show the calculation for the NPC benefits.

Dated this 15th day of September, 2020, at Salem, Oregon.



Traci Kirkpatrick
Administrative Law Judge

¹ Docket No. UM 1934, PGE’s Request for Acknowledgment of Final Short List of Bidders, Attachment A, Independent Evaluator Final Closing Report at 13 (Oct 3, 2018).