

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1182

In the Matter of

NORTHWEST AND INTERMOUNTAIN
POWER PRODUCERS COALITION

Petition for an Investigation Regarding
Competitive Bidding.

RULING

DISPOSITION: REQUEST FOR CERTIFICATION GRANTED

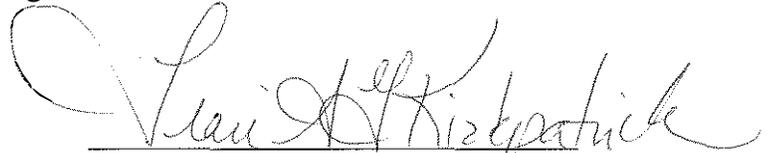
The purpose of the second phase of Docket UM 1182 is to consider an analytic framework to evaluate and compare, when new electric supply is needed, the purchase of power from a third party versus resource ownership by a utility. After identifying a preliminary list of twelve items for analysis, Staff asked the parties to agree to greatly reduce the list of items for initial evaluation, with the understanding that additional items could be addressed in later phases should a methodology or approach be developed. In a status report filed on February 22, 2012, Staff informed the Commission that the parties had not reached consensus regarding a limited number of items to address, but that parties would make individual recommendations instead. Parties subsequently filed comments. On May 30, 2012, a ruling was issued that adopted Staff's recommendations to address the following three items: Items 1 (Cost Over- and Under-Runs), 11 (Counterparty Risk), and 12 (Heat Rate Degradation).

On June 14, 2012, the Northwest and Intermountain Power Producers Coalition (NIPPC) requested certification of the ruling to the Commission. NIPPC asserts that good cause exists for the Commission to determine the items to be initially addressed. In particular, NIPPC asks the Commission to substitute Item 4 (Wind Capacity Factor) for Item 11 (Counterparty Risk) on the consideration list. NIPPC asserts that an examination of counterparty risk would be inconsistent with the intent expressed by the Commission in Order No. 11-001 to address bias in the competitive bidding process towards utility resource ownership. NIPPC indicates support for the request for certification from the Citizens Utility Board of Oregon (CUB) and the Industrial Customers of Northwest Utilities (ICNU).

On June 21, 2012, Portland General Electric Company and the Idaho Power Company filed responses. Both PGE and Idaho Power assert that evaluating methodologies to comprehensively compare self-build versus third-party build resources is consistent with the Commission's goals for the docket, as expressed in Order No. 11-011. Idaho Power also observes that adding Item 11 to consider wind capacity factors would be problematic due to data limitations that would improve if the issue was addressed at a later time.

Without finding that good cause exists and that certification is mandated pursuant to OAR 860-001-0110, I grant NIPPC's request. In the interest of allowing the Commissioners an opportunity to consider what issues to initially address in this docket, I certify my ruling, dated May 30, 2012.

Dated this 27th day of June, 2012, at Salem, Oregon.

A handwritten signature in cursive script, reading "Traci A. G. Kirkpatrick". The signature is written in black ink and is positioned above a horizontal line.

Traci A. G. Kirkpatrick
Administrative Law Judge