

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 399

In the Matter of)
)
In the Matter of PACIFICORP, dba PACIFIC)
POWER,)
Request for a General Rate Revision)
)
)
_____)

**OPENING TESTIMONY OF
SPENCER GRAY**

**ON BEHALF OF THE
NORTHWEST AND INTERMOUNTAIN
POWER PRODUCERS COALITION**

June 22, 2022

1 **I. INTRODUCTION**

2 **Q. Please state your name, business address, and present position with**
3 **Northwest & Intermountain Power Producers Coalition.**

4 **A.** My name is Spencer Gray. I am employed by the Northwest & Intermountain
5 Power Producers Coalition (“NIPPC”) as Executive Director. My business
6 address is P.O. Box 504, Mercer Island, WA 98040. I have been in my current
7 position since early 2020.

8 **Q. What are your duties as Executive Director?**

9 **A.** I advocate for policies that facilitate competition in the Northwest to deliver
10 reliable, cleaner, and more affordable electric power to consumers. I am
11 responsible for managing all of NIPPC’s regulatory engagements.

12 **Q. Briefly describe your education and experience prior to your employment at**
13 **NIPPC.**

14 **A.** After completing a B.A. at Yale University in the Humanities, I was employed in
15 a number of staff positions in the U.S. Senate over nine years, including as a
16 Legislative Director and on the Professional Staff of the Senate Energy and
17 Natural Resources Committee. In those capacities, I drafted legislation, conducted
18 congressional oversight activities, and advised members of Congress on public
19 policy affecting electric utilities and the power sector. In addition to my
20 background in the public sector, I was employed as an associate in the equity
21 research division of an institutional brokerage, FBR Capital Markets, covering
22 utilities and other publicly-traded energy firms.

1 **Q. Have you previously testified before this Commission?**

2 **A.** Yes, I testified before this Commission in Docket UE 1953, related to the
3 implementation of a Voluntary Renewable Energy Tariff (a “**VRET**”) proposed
4 by Portland General Electric Company (“**PGE**”).

5 **Q. What is the purpose of the testimony you are filing today?**

6 **A.** My testimony here addresses the PacifiCorp’s proposal to create a VRET, which
7 PacifiCorp refers to as its “**Accelerated Commitment Tariff**” program or the
8 “**ACT**” program. PacifiCorp’s proposed ACT program is similar – but not
9 identical to - Portland General Electric Company’s (“**PGE**”) GEAR program
10 previously approved by the Commission after substantial proceedings and
11 discussions. As Executive Director of NIPPC, I am representing the interests of
12 both Electricity Service Suppliers that offer Direct Access service in direct
13 competition with PacifiCorp’s ACT proposal, as well as the interests of
14 independent renewable power developers seeking the opportunity to supply
15 energy to customers through PacifiCorp’s proposed ACT program. As a general
16 matter, I support PacifiCorp’s ACT program, provided it be modified and
17 clarified to adopt some of the important customer and competitor protections.

18 **II. TESTIMONY**

19 **Q. Please summarize your testimony.**

20 **A.** I am addressing the following issues in my testimony:
21 • First, I provide a brief introduction of some of the key criteria for consideration
22 whether PacifiCorp’s proposed ACT program is in the public interest.

- 1 • Second, I address various aspects of PacifiCorp’s proposal and recommend
2 changes where appropriate to meet the letter and spirit of the nine conditions
3 and the various terms the Commission has placed on the VRET approved for
4 PGE’s GEAR program and/or which I otherwise believe are in the public
5 interest. Specifically, I recommend the following actions:

6 (a) **Restrict Purchase of Unbundled RECS**. PacifiCorp’s program should be
7 modified to ensure all power for the program is from the eligible identified
8 renewable sources, without the need to purchase unbundled RECs, outside
9 of true emergency or force majeure situations.

10 (b) **Program Caps**.

- 11 (i) PacifiCorp’s ACT program should be capped at 175 aMW at this
12 time for utility-supplied generation, consistent with PacifiCorp’s
13 proposal.
14 (ii) To the extent program interest is in excess of the 175 aMW cap, a
15 limited amount of additional load should be served under a
16 separate cap applicable to customer-supplied PPAs in the same
17 manner as approved for PGE’s GEAR program. PacifiCorp should
18 have the same limitations in negotiating any such customer-
19 supplied PPAs as applied to PGE for its GEAR Program.
20 (iii) NIPPC does not oppose an expedited mechanism for an increase
21 in the program cap provided that such expedited treatment is
22 equally available for PacifiCorp’s Direct Access program.

23 (c) **Competitive Bidding Rules**. Competitive bidding rules (“CBRs”) apply
24 to PacifiCorp’s ACT program. NIPPC does not oppose waiver of the
25 CBR requirements in appropriate circumstances, such as where
26 PacifiCorp can demonstrate it is leveraging off of a very recently
27 completed RFP, but such waiver must be specifically sought and granted.
28 This is consistent with the Commission’s approach with respect to PGE’s
29 GEAR program, pursuant to Order No. 19-213.

- 1 (d) **Utility Ownership of VRET Resource**. Any approval of PacifiCorp’s
2 program should reiterate strict compliance with VRET Condition 7.
- 3 (e) **Customer-supplied Power Purchase Agreements**. PacifiCorp should
4 be required to accept customer-supplied Power Purchase Agreements
5 similar to the PGE GEAR program.
- 6 (f) **Clarification of Credit Calculation**: PacifiCorp’s ACT program tariff
7 should make it clear that application of any energy and capacity credit
8 will not result in a net reduction of costs to ACT program participants
9 below the costs borne by general system customers.
- 10 (g) **Eligibility of ACT service for Direct Access Customers**. PacifiCorp’s
11 tariff should be clarified to allow customers that receive Direct Access
12 for part of their service to purchase ACT service for part of their service.
- 13 (h) **Thresholds**. The eligibility threshold for PacifiCorp’s ACT service
14 should be equal to the threshold for its Direct Access program.

15 **Section 1: Introduction**

16 **Q. Please provide a brief contextual background of VRET programs in Oregon**
17 **and how they relate to Direct Access.**

18 **A.** The Commission has a statutory duty to develop policies to eliminate barriers to
19 the development of a competitive retail market between electricity service
20 suppliers and electric companies.¹ As the Commission has recognized, VRET

¹ See ORS 757.646 (1) “The duties, functions and powers of the Public Utility Commission shall include developing policies to eliminate barriers to the development of a competitive retail market between electricity service suppliers and electric companies. The policies shall be designed to mitigate the vertical and horizontal market power of incumbent electric companies and prohibit preferential treatment, or the appearance of

1 programs and Direct Access programs directly compete for some of the same
2 customers, and VRET offerings can impact the competitive retail markets.²
3 Through the course of various rulemakings and contested case proceedings over
4 recent years,³ the Commission has established a series of conditions that it
5 determined were necessary to ensure that any VRET offering was in the public
6 interest, often referred to as the “**nine conditions**.” Among these conditions is
7 what is now known as combined condition 5/6, which states that:

8 VRET offerings, as customer choice products, can impact
9 the competitive retail market for some customer segments
10 even when differentiated from Direct Access offerings. *The*
11 *utility bears the burden of proof to demonstrate that a VRET*
12 *offering does not unfairly undermine Direct Access*
13 *Programs.*⁴

14 Notably, the Commission placed the burden of proof on the utility to demonstrate
15 that a VRET offering does not unfairly undermine Direct Access Programs. I
16 submit that this is a key lens through which PacifiCorp’s program must be
17 reviewed. It is not sufficient that there be customer demand for this program;
18 rather the program must also not unfairly undermine Direct Access Programs.

such treatment, by the incumbent electric companies toward generation or market affiliates. ...”

² Order No. 21-091, at 11.

³ See, e.g., Docket UM 1690, opened following the passage of House Bill (HB) 4126 (2014) directing consideration of VRET programs and culminating in OPUC Order No. 16-251, establishing the original “nine conditions” applicable to VRET programs in Oregon; Docket UM 1953, Phase I, culminating in Order No. 19-075 approving PGE’s VRET proposal subject to modifications; and Docket UM 1953, Phase II, culminating in Order No. 21-091 (errata Order No. 21-096), approving an expansion of PGE’s VRET program and updating the nine conditions applicable to all VRET proposals.

⁴ Order No. 21-091, Consolidated Condition 5/6 (emphasis added).

1 **Q. Does the fact that PacifiCorp’s Direct Access program is not highly**
2 **subscribed color you’re thinking on these issues?**

3 **A.** Yes and no. PacifiCorp’s long term Direct Access program is not well utilized
4 primarily because of the very high transition and other charges that currently
5 make the program uneconomic in many circumstances. However, this may not
6 remain the case in the foreseeable future, especially to the extent that PacifiCorp
7 moves into a resource-short position, as anticipated by PacifiCorp’s recent
8 integrated resource plan (“IRP”) filings.

9 **Q. Do VRET proposals raise any other competitive concerns beyond the Direct**
10 **Access framework?**

11 **A.** Yes. Separate and apart from the concerns related to Direct Access, VRET
12 proposals raise concerns about competition by independent power producers
13 seeking opportunities to build capacity and a utility’s desire for self-build options,
14 whether or not such options are included in rate base. The Commission has an
15 affirmative statutory obligation to develop policies designed to mitigate the
16 vertical and horizontal market power of incumbent electric companies and
17 prohibit preferential treatment, or the appearance of such treatment, by the
18 incumbent electric companies toward generation or market affiliates.⁵ This is an
19 independent duty, and another key lens through which PacifiCorp’s proposed
20 ACT Program must be reviewed. PacifiCorp’s program must be tailored to
21 mitigate PacifiCorp’s vertical and horizontal market power with respect to the
22 development of generation resources as well as with respect to competing for
23 retail customers.

⁵ See ORS 757.646 (1)

1 **SECTION 2: MODIFICATIONS TO SPECIFIC PROGRAM FEATURES.**

2 **A. Restrict Purchase of Unbundled RECS.**

3 **Q. What is your concern with respect to PacifiCorp’s proposed use of**
4 **unbundled RECs?**

5 **A.** OPUC VRET Condition 2 clearly mandates that:

6 “Voluntary renewable energy options only include
7 bundled REC products. Any RECS associated with
8 serving participants must be retired on or on behalf of
9 participants.”

10

11 Consistent with this requirement, PacifiCorp describes its program as one in which
12 PacifiCorp will provide a participant with *bundled* renewable electricity.⁶ However, the
13 conditions of service included in PacifiCorp’s proposed Schedule 273, section 4(a), states
14 that

15 “The amount of renewable energy to be acquired on behalf of the
16 Customer annually. This amount shall not exceed the reasonably
17 projected annual amount of energy to be consumed by the Customer. In
18 the event of yearly under generation from the renewable energy
19 resource(s) facilitated through the contract, *the Company will purchase*
20 *renewable energy certificates (RECs) on the Customer’s behalf to*
21 *ensure the Customer’s subscribed quantity of energy is covered.*”

22

23 Exhibit PAC/801, Anderson/2 (Emphasis added). This tariff language is inconsistent
24 with VRET Condition 2 and provides PacifiCorp and potential ACT program customers
25 too much leeway (and possibly even an incentive) to undersize the “reasonably projected
26 annual amount of energy to be consumed by the customer,” knowing they can simply
27 rely on unbundled RECs to make up any shortfall.

28 **Q. Do you believe there are any circumstances under which use of unbundled**
29 **RECs would be appropriate?**

⁶ See, e.g., PAC/800, Anderson/4, lines 17-18

1 A. I do not oppose use of unbundled RECs in cases of truly unforeseen and
2 unanticipated emergency disruptions to the generating asset. But this should be expressly
3 limited to true force majeure-type situations. It is worth noting that the other VRET
4 program authorized within the state, PGE's GEAR program, does not allow for any
5 unbundled RECs as I understand it.

6 **B. Program Caps.**

7 **Q. Please explain your position with respect to PacifiCorp's proposed 175 aMW**
8 **program cap.**

9 A. NIPPC supports PacifiCorp's proposal to limit its ACT program to 175 aMW for
10 any utility-selected PPAs and does not see a need to expand such cap. As I
11 address below, NIPPC supports requiring PacifiCorp to include a "customer-
12 supplied PPA" option similar to the approach adopted by PGE, and does not
13 oppose a separate, independent cap for the customer-supplied PPA option.

14 **Q. Do you have any concerns with respect to PacifiCorp's' proposal that it will**
15 **seek Commission approval to expand its program cap (if desired) "in a**
16 **manner that is procedurally consistent with the guidance provided by the**
17 **Commission in Order 21-091"?**

18 A. Yes. I oppose allowing an expedited expansion of PacifiCorp's VRET cap to the
19 extent that a similar expedited approval process is not in place for PacifiCorp's
20 Direct Access program. As I noted above, PacifiCorp's Direct Access program is
21 not currently fully subscribed, but that may not always be the case. There should
22 be a level playing field for addressing cap issues for the VRET and addressing cap
23 issues for PacifiCorp's Direct Access program. NIPPC is mindful of the
24 circumstances addressed in Docket UM 2202, regarding a proposal to increase the
25 cap for PGE's Gear program. In that docket, a customer sought a waiver of PGE's

1 Direct Access program rules which did not receive expedited processing and was
2 never addressed by the Commission. The customer ultimately reached an
3 agreement with PGE to proceed with seeking expedited approval of an expansion
4 of PGE's GEAR program, and withdrew its request for waiver of the Direct
5 Access program rules. Providing an opportunity for an expedited waiver of the
6 VRET cap, without a similar opportunity for an expedited waiver of the Direct
7 Access cap (where appropriate) creates an unfair disadvantage for parties seeking
8 to participate in the competitive retail market and an unfair advantage for electric
9 companies, and further entrenches the market power of incumbent electric
10 companies, contrary to the Commission's statutory mandate.

11 **C. Utility Ownership of VRET Resources.**

12 **Q. Please explain your concern with PacifiCorp's proposal related to using**
13 **company-owned resources to serve its ACT program.**

14 **A.** My concerns are two-fold. First, as a general matter, a utility's ability to own a
15 VRET resource, even if such resource is not included in rate base, provides an
16 incentive for the utility to favor its own projects over third party alternatives. A
17 utility-owned asset that is not included in rate base is conceptually identical to a
18 project owned by an undifferentiated affiliate of the utility. The Commission's
19 statutory responsibility is to design policies to mitigate the vertical and horizontal
20 market power of incumbent electric companies and prohibit preferential
21 treatment, or even the appearance of such treatment, by the utility toward

1 generation or market affiliates.⁷ Allowing a utility to self select its own project –
2 even if not in rate base – is contrary to this mandate.

3 **Q. What is your second concern?**

4 **A.** My second concern is that, while PacifiCorp references the limitations on utility
5 ownership of a VRET resource set out in VRET Condition 7,⁸ PacifiCorp states
6 that it will consider both PPAs and company-owned assets as eligible renewable
7 resources for the ACT program.⁹ PacifiCorp goes on to state that “PacifiCorp will
8 leverage its ongoing 2022 RFP, where the energy can be secured through a PPA,
9 *unless a more economic owned-resource opportunity were to develop.*”¹⁰

10 PacifiCorp further indicates that, to the extent it desires to go forward with a
11 company-owned ACT resource, it will include either a mechanism to share any
12 return on investment associated with owned resources in the ACT program with
13 other customers or explain why the accounting protections are sufficient so that
14 other customers are not harmed and sharing would not be appropriate.¹¹

15 I do not believe it is appropriate for PacifiCorp to reserve to itself the
16 opportunity to explain away the specific conditions imposed on a VRET should it

⁷ See ORS 757.646 (1).

⁸ VRET Condition 7 specifies that “The regulated utility may own a voluntary renewable energy resource, but may not include any voluntary renewable energy resource in its general rate base. It may recover a return on and return of its investment in the voluntary renewable energy resource from the subscriber; however, the utility must share some of the return on investment with the other utility customers for ratepayer-funded assets used to assist the voluntary renewable offering.”

⁹ PAC/800 Anderson/18, lns 9-10.

¹⁰ PAC/800 Anderson/18, ln 12.

¹¹ PAC/800/Anderson/18, 22-23.

1 so desire. While I understand that any entity can seek waiver or change of
2 Commission rules and policies in the future, the Commission should not bake in
3 to its approval of PacifiCorp's proposal an understanding that PacifiCorp has the
4 option to follow the express terms of conditions 7 or simply advance an
5 alternative rationale. Instead, the Commission should reiterate the limitation on
6 utility ownership of a VRET asset.

7 **D. Clarification of Credit Calculation**

8 **Q. Please explain your position with respect to calculations of the energy and**
9 **capacity credit.**

10 **A.** I do not believe it to be appropriate for the energy and capacity credit to exceed
11 the PPA price in a manner that results in a net reduction of costs to participants
12 below the costs borne by general system customers.

13 **Q. Does PacifiCorp's proposal allow energy and capacity credit to exceed the**
14 **PPA price in a manner that results in a net reduction of costs to participants**
15 **below the costs borne by general system customers?**

16 **A.** PacifiCorp's testimony is unclear on this point. However, PacifiCorp agreed in
17 response to a OPUC Staff data request 317 that the ACT program cannot result in
18 a net reduction in energy costs for a participant and that PacifiCorp would limit
19 the customer credit to not exceed the total costs. I have included that data
20 response as NIPPC/101. This is a fundamental aspect of the program, and the
21 Commission should require PacifiCorp to include this term within its program
22 tariff.

1 **E. Eligibility of ACT service for Direct Access Customers.**

2 **Q. Please describe your concern with respect to eligibility of ACT service for**
3 **Direct Access Customers.**

4 **A. PacifiCorp’s draft ACT Tariff contains a provision that discriminates against**
5 Direct Access customers by stating that “Customers that subscribe under
6 PacifiCorp’s Direct Access Delivery Service are not eligible to participate in the
7 ACT program.” The fact that a given customer takes Direct Access for a portion
8 of its load should not be a rationale for preventing that customer from purchasing
9 ACT program service for another portion of its load.

10 **Q. What is PacifiCorp’s rationale for discriminating against Direct Access**
11 **customers in this manner?**

12 **A. PacifiCorp’s basically offers two rationales, neither of which has merit. The first**
13 is a statement that:

14 “ACT is a program that provides customers access to bundled
15 renewable energy. It is a supplemental product that is an addition
16 to the participant’s cost-of-service rates. Participants continue to
17 pay their share of system costs through their standard rates,
18 reducing the risk of stranded assets.”¹²

19
20 **Q. Do you believe this statement provides a rationale basis for discriminating**
21 **against Direct Access customers?**

22 **A. No, I do not. I agree that PacifiCorp’s program is intended as a supplemental**
23 product that is an addition to the participant’s cost-of-service rates. But that
24 applies to the ACT service that the customer is receiving. Consider the example of
25 a customer that purchases 100 MW of ACT service for a 20 year contract. That
26 customer will pay its full cost of service rate with respect to the 100 MW, along

¹² PAC/800, Anderson 7 Ins 10-13.

1 with any additional program costs. That would be true whether or not the same
2 customer also purchased 50 MW of Direct Access service. There is nothing at all
3 inconsistent with purchasing both services, and paying for both services.
4 PacifiCorp's proposal simply creates an artificial barrier to competitive retail
5 markets without justification. This is especially true where the customer is taking
6 service under the two programs to support different geographically diverse
7 facilities. For example, an existing customer of PacifiCorp may desire to take
8 Direct Access service for a large warehouse facility in southern Oregon, and take
9 ACT service for a data center in the Portland metropolitan area. There is no basis
10 for limiting customer choice in this instance.

11 **Q. What is PacifiCorp's second rationale for discriminating against Direct**
12 **Access customers in this manner?**

13 **A.** PacifiCorp's second rationale is its suggestion that "[p]rohibiting Direct Access
14 customers [from participating in the Act program] reduces the complexity related
15 to energy delivery, billing, establishing the credit value, and concerns about
16 stranded assets."¹³

17 **Q. Do you agree with this rationale?**

18 **A.** No, I do not. PacifiCorp's generic statement that this discriminatory treatment
19 "reduced complexity" is unsupported and not a sufficient basis to deny a set of
20 customers an opportunity to participate in the program. It should be noted that
21 PacifiCorp already has a variety of tariff schedules in place for partial
22 requirements customers, including specifically for customers that take a portion of

¹³ PAC/800, Anderson 7 Ins 13-15.

1 their service through Direct Access and a portion through PacifiCorp’s existing
2 cost of service.¹⁴ There is nothing in the nature of ACT service that creates
3 material additional complexity as compared to this existing standard practice.

4 **Q. Has this issue been addressed with respect to other Oregon utilities?**

5 **A.** Yes. PGE had very similar language in its GEAR program tariff, yet elected to go
6 forward and provide service through its VRET to a customer that was already
7 taking new load Direct Access service on the PGE system. Specifically, PGE
8 Schedule 55 provides that

9 “4. This schedule is for supplemental retail service, and will be
10 served solely as a supplement to retail base rates by the Company.
11 Subscribing Customers who leave PGE’s retail supply service, or
12 who are not currently on PGE’s retail supply service, are ineligible
13 for this program.”¹⁵
14

15 Yet, despite the fact that the customer in question, QTS data systems, was a new
16 load Direct Access customer and was *not* taking service on PGE’s system, PGE
17 sought and won permission to expand its GEAR program to provide VRET
18 service to QTS in direct conjunction with QTS’s new load Direct Access
19 service.¹⁶ While PGE’s GEAR program and PacifiCorp’s proposed ACT program
20 are not identical, they are quite similar. The fact that PGE had no issue providing

¹⁴ See, e.g., PacifiCorp Schedule 47, “Large General Service – Partial Requirements 1,000 kW and Over;” and its paired Direct Access service, Schedule 747, “Large General Service – Partial Requirements 1,000 kW and Over.” See also PacifiCorp Schedule 76R “Large General Service/Partial Requirements Service – Economic Replacement Power Rider”

¹⁵ See PGE Tariff, Schedule 55, Second Revision of Sheet No. 55-3, Section 4.

¹⁶ See Order No. 21-468.

1 VRET service to an existing Direct Access customer is indicative of the fact that
2 provision of both services does not create insurmountable complexities.

3 **Q. Do you have any other observations with respect to PacifiCorp’s proposed**
4 **limitation based on experience with respect to PGE’s service to QTS?**

5 Yes. On its face, PacifiCorp language has an impermissible chilling effect on a
6 prospective customer’s consideration whether to take Direct Access service, because it
7 could be read to prevent that customer from ever seeking ACT service if it desired to do
8 so in the future. This may discourage the customer from purchasing Direct Access
9 service. In the context of the QTS proceeding, NIPPC noted the limitation in PGE’s tariff
10 language, without objecting to a waiver thereof, but offered the following:

11 “NIPPC’s point here is not that QTS should not be permitted to
12 participate in the GEAR; it is that PGE should not be permitted
13 to loosely interpret its tariff for its own benefit but apply strict
14 interpretations, and/or oppose reasonable requests for waivers,
15 where customers seek Direct Access service rather than utility
16 service.”

17
18 This point applies to PacifiCorp as well. As described above, PacifiCorp’s limitation on
19 allowing a Direct Access customer to purchase ACT service for a portion of its load is
20 unreasonable and unsupported. Should the Commission nonetheless allow it to stand, it
21 must apply equally both ways: PacifiCorp should not have the option—through waiver or
22 otherwise—to offer ACT service to any entity that takes Direct Access service if a Direct
23 Access customer does not have the option to take ACT service.

24 **F. Harmonization of Program Requirements to Preserve Competition.**

25 **Q. Do you have concerns about other program requirements?**

26 **A.** Yes. There are various aspects of PacifiCorp’s proposed ACT program that create
27 direct barriers to the competitive retail market. For example, PacifiCorp maintains

1 a fairly high service threshold of at least 2 MW of billing demand over a 13
2 month period in order to participate in its long term Direct Access program.¹⁷ By
3 contrast, a customer would be eligible to receive service under the proposed ACT
4 program with a threshold of just 30 kW, including aggregation across multiple
5 points.¹⁸ This creates an entire class of customers eligible to purchase renewable
6 power from PacifiCorp, but not eligible to purchase renewable power through the
7 Direct Access program. This is a clear barrier to competition that does not appear
8 to serve a valid purpose. Instead, PacifiCorp should be required to limit its ACT
9 program to customers with a demand of at least 2 MW of billing over a 13 month
10 period, or, alternatively, reduce the eligibility threshold for its Direct Access
11 program to match its ACT program proposal.

12 **III. CONCLUSION**

13 **Q. Does this conclude your testimony?**

14 **A.** Yes.

¹⁷ PacifiCorp's web site specifies that "PacifiCorp's long term DA program is limited to "customers on rate schedules 47, 48, 747 or 748 or customers on rate schedules 30 or 730 under a single corporate entity with meters that total to at least 2 megawatts billing demand in the last 13 months. Source: <https://www.pacificpower.net/savings-energy-choices/business/oregon-direct-access.html>

¹⁸ See PAC/800, Anderson/6. "Nonresidential Consumers served by the Company in the state of Oregon whose total aggregated electric load is at least 30 kW, based on annual peak load. A Customer may aggregate multiple metered delivery points, including individual delivery points with less than 30 kW of demand, under a single entity to satisfy the 30 kW threshold, based on annual peak load at each delivery point. Annual peak load will be based on the Customer's highest demand reading during the prior 12-month period or its reasonably projected demand including planned load expansions in the subsequent 12-month period. For new Customers, annual peak load will be based on the Customer's Contract Demand, to be reached within a ramp-up period of 36 months or such other period approved by the Commission."

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Exhibit NIPPC/101
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Exhibit Accompanying Direct Testimony of Spencer Gray
PacifiCorp Response to Commission Staff Data Request No. 317.

UE 399 / PacifiCorp
April 21, 2022
OPUC Data Request 317

OPUC Data Request 317

VRET - Please explain whether the energy and capacity credit can exceed the PPA price and whether PAC's VRET program can result in a net reduction in energy costs for participants.

Response to OPUC Data Request 317

No, the proposed Accelerated Commitment Tariff (ACT) program can not result in a net reduction in energy costs for a participant. The ACT program participant will pay cost of service (COS) rates plus all ACT program administrative costs as well as the power purchase agreement (PPA) price. In the unlikely scenario where the addition of a resource would provide benefits to the system in excess of the PPA plus administrative costs of ACT participation, and yet was still not selected as a system resource, PacifiCorp would limit the customer credit to not exceed the total costs.