Davison Van Cleve PC

TEL (503) 241-7242 • FAX (503) 241-8160 • mail@dvclaw.com

Suite 400 333 SW Taylor Portland, OR 97204

April 25, 2008

Via Electronic and U.S. Mail

Public Utility Commission Attn: Filing Center 550 Capitol St. NE #215 P.O. Box 2148 Salem OR 97308-2148

Re:

In the Matter of PACIFICORP, dba PACIFIC POWER Application for

approval of a solicitation process for flexible resources starting in 2012

through 2017

Docket No. UM 1360

Dear Filing Center:

Enclosed please find the original and one (1) copy of the Final Comments of the Industrial Customers of Northwest Utilities in the above-referenced matter.

Thank you for your assistance.

Sincerely yours.

Eric **G**. Shelton

Enclosures

cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Final Comments of the Industrial Customers of Northwest Utilities upon the parties, shown below, on the official service list by causing the foregoing document to be deposited, postage-prepaid, in the U.S. Mail, or by service via electronic mail to those parties who have waived paper service.

Dated at Portland, Oregon, this 25th day of April. 2008.

Fric G. Shelton

PACIFIC POWER OREGON DOCKETS

825 NE MULTNOMAH STREET STE 2000 PORTLAND OR 97232 oregondockets@pacificorp.com CITIZENS' UTILITY BOARD OF OREGON (W)

LOWREY R BROWN
JASON EISDORFER
ROBERT JENKS
610 SW BROADWAY STE 308
PORTLAND OR 97205
lowrey@oregoncub.org
jason@oregoncub.org
bob@oregoncub.org

DEPARTMENT OF JUSTICE

MICHAEL T WEIRICH REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 michael.weirich@doj.state.or.us **PACIFICORP**

NATALIE HOCKEN 825 NE MULTNOMAH STE 2000 PORTLAND OR 97232 natalie.hocken@pacificorp.com

OREGON PUBLIC UTILITY COMMISSION

LISA C SCHWARTZ PO BOX 2148 SALEM OR 97308-2148 lisa.c.schwartz@state.or.us

W = Waived Paper Service

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1360

In the Matter of)	
PACIFICORP, dba PACIFIC POWER)	FINAL COMMENTS OF THE INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES
Application for approval of a solicitation process for flexible resources starting in)	
2012 through 2017.)	

The Industrial Customers of Northwest Utilities ("ICNU") submits the following final comments regarding PacifiCorp's (or the "Company") 2008 request for proposals ("2008 RFP"). ICNU continues to support its opening comments filed on March 21, 2008, regarding PacifiCorp's need to acquire new baseload generation resources. Specifically, ICNU recommends that the Oregon Public Utility Commission ("OPUC" or the "Commission") reject the 2008 RFP because PacifiCorp does not need to acquire up to 2,000 megawatts ("MWs").

Recent confidential filings regarding the bids in PacifiCorp's current RFP, and the Company's request to waive the Commission's competitive bidding rules to purchase a new resource, add further support to ICNU's position that PacifiCorp's 2008 RFP seeks to acquire far more resources than the Company needs. Instead of prematurely issuing the 2008 RFP, PacifiCorp should assess its resource needs after the conclusion of the processes related to its current RFP and its request to acquire a new generation resource outside the competitive bidding process.

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DAVISON VAN CLEVE, P.C. 333 S.W. Taylor, Suite 400 Portland, OR 97204 Telephone: (503) 241-7242 ICNU believes that issuing the 2008 RFP based on an inflated and inaccurate 2,000 MW resource need, and then making significant changes at a later date to reflect new resource acquisitions, will send confusing and harmful messages to the market. PacifiCorp has a recent history of difficult and contentious requests for proposals and resource acquisitions. For example, there were significant questions regarding PacifiCorp's West Valley lease with its affiliate, PacifiCorp Power Marketing. More recently, PacifiCorp first sought to halt its current RFP once it became clear that the Company's self-build options would not win the bidding process. Although PacifiCorp eventually continued its current RFP even after its approach was strongly opposed, the process did not inspire confidence. Similarly, PacifiCorp has sought to waive the Commission's competitive bidding rules to purchase a significant new resource even before its current RFP has been completed. In addition, PacifiCorp has built or is in the process of building new wind projects, possibly selecting the size of the wind projects at 99 MWs to avoid the competitive bidding process.

Regardless of PacifiCorp's intentions or the prudence of these resource acquisitions, ICNU is concerned that there may be an appearance in the market community that PacifiCorp's competitive bidding process is less than fair. This could have a harmful impact on future RFPs, including the 2008 RFP, by reducing the number and/or quality of bids. Therefore, ICNU recommends that the 2008 RFP should be delayed until PacifiCorp can propose an RFP that accurately reflects the resources it intends to acquire.

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DAVISON VAN CLEVE, P.C. 333 S.W. Taylor, Suite 400 Portland, OR 97204 Telephone: (503) 241-7242 Dated this 25th day of April, 2008.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

Melinda J. Davison

Irion A. Sanger

333 S.W. Taylor, Suite 400

Portland, Oregon 97204

(503) 241-7242 phone

(503) 241-8160 facsimile

ias@dvclaw.com

Of Attorneys for Industrial Customers

of Northwest Utilities