

BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of PUBLIC UTILITY)	UM 1690
COMMISSION OF OREGON,)	
)	COMMENTS OF NOBLE AMERICAS
Voluntary Renewable Energy Tariffs for Non-)	ENERGY SOLUTIONS LLC
Residential Customers.)	

INTRODUCTION

In accordance with the directives of the Staff of the Public Utility Commission of Oregon (“OPUC” or “Commission”), Noble Americas Energy Solutions LLC (“Noble Solutions”) hereby submits its comments on the questions asked in the issues list distributed in this proceeding. Noble Solutions appreciates the efforts of the OPUC Staff in this proceeding and the opportunity to provide this input to inform the Staff’s memorandum on implementation of H.B. 4126. These comments provide Noble Solutions’ comments in response to each of the questions presented, and Noble Solutions has also attached a completed voluntary renewable energy tariff (“VRET”) Models Summary Table incorporating our responses.

COMMENTS

- I. How should a Voluntary Renewable Energy Tariff (VRET) be defined and designed? (context/general issues)***
- 1. What are the essential features of such a tariff (e.g. ability to purchase power at a long term, fixed rate)? If the Commission were to allow VRETs, would more than one type of VRET design help to satisfy diverse customer demands?***

Noble Solutions’ Comments: The essential feature is a tariff product that matches renewable generation source to customer sink on an hourly (or shorter) schedule basis, with the investor-

owned utility (“IOU”) providing load following/back-up service. How that product is priced or the term of the tariff is at the IOU’s discretion based on cost-of-service studies and subject to the OPUC’s parameters and approvals of the tariff. Any renewable product offering that is not source-to-sink on a real-time basis is an unbundled renewable energy credit (“REC”) sale, which has been excluded from consideration as a VRET product already in this proceeding.

2. *Should a regulated utility continue to plan for VRET load through integrated resource planning? Should VRET customers be included in a regulated utility’s total retail sales?*

Noble Solutions’ Comments: The answer to this is dependent on whether the IOU is willing to let customers who participate on a VRET tariff rate return to bundled utility service and if so, the terms of that return. Currently, only PGE allows certain classes of direct access (“DA”) customers to enter into the type of long-term opt-out of cost-of-service rates that has been recognized as warranting exclusion of those customers from consideration in the load PGE must serve in PGE’s integrated resource planning. It would be reasonable to treat the VRET load similarly and to exclude the VRET load from resource planning if the VRET customer is required to make a long-term opt out and provide similar notice to return to cost-of-service rates. Additionally, if it is determined that VRET customers are excluded from the IRP planning, then those customers should also have the right to freely move off of the VRET tariff to DA service without returning to cost-of-service rates or paying any additional transition charges.

a) *Should VRETs be considered for all non-residential customers or only a subset of non-residential customers (e.g. only large customers)?*

Noble Solutions’ Comments: VRETs should be available to all non-residential customers irrespective of size. However, the criteria that affect availability should be the same between the VRET and DA. So, for example, if a multi-year VRET was available to customers who are

smaller than the minimum size required for the utility's multi-year DA program, then DA providers should be permitted to offer a multi-year renewable energy product (comparable to the VRET) to those smaller customers who qualify for the VRET but do not currently qualify for multi-year DA. This would promote the further development of renewable resources, while at the same time not harming Oregon's competitive retail market place.

- b) *Should there be a cap on the amount of load that can be served under a VRET to protect against risk of large amounts of load leaving the existing cost-of-service system (e.g. the 300 average MW cap for direct access in PGE's 400 series cost-of-service opt-out schedules)?***

Noble Solutions' Comments: We assume that the VRET is a type of utility offering that will be designed to capture all fixed and variable costs, as well as any stranded costs associated with the tariff rate. If so, there should theoretically be no need to "cap" the amount of VRET load. However, if there is not a cap for VRET load, this could result in discriminatory treatment of direct access suppliers that currently are only allowed to make renewable energy offerings subject to strict program caps. Consequently, if no cap is instituted for the VRET tariff, DA providers should be permitted to offer a multi-year renewable energy product (comparable to the VRET) that is not subject to the current DA program caps.

- 3. *What portion of a customer's load should a VRET be able to serve? All load? Partial load? Service at a given Point of Delivery ("POD")? Should VRET customers be able to aggregate multiple sites/PODs?***

Noble Solutions' Comments: If adopted, the VRET should allow customers to serve all load with POD aggregation, consistent with offerings currently allowed under direct access.

- 4. *Should VRET load be met with multiple renewable resources that are aggregated? If so, how should the regulated utility disclose the renewable resources provided as an aggregated product?***

Noble Solutions' Comments: If adopted, the VRET should allow the IOU to source the renewable energy however the IOU wants to design the tariff so long as the product is an hourly (or less) source-to-sink delivery and other applicable requirements are met.

5. *Given the variability of renewable energy generation, what services should be included in a VRET to enable delivery of renewable energy (e.g. back-up/supplemental services or firming/shaping)?*

Noble Solutions' Comments: See the response to Question No. 1.

6. *For comparison, with regard to existing Direct Access as summarized in the VRET Models Table:*

a) *Are there service requirements (e.g. transition charges, enrollment windows, etc.) applicable to direct access that should not be required in provision of service under a VRET? If so, what is the rationale for differentiating between direct access requirements and VRET requirements?*

Noble Solutions' Comments: Whenever a customer leaves the utility's bundled portfolio service for DA or a VRET, there is the possibility of stranded costs being incurred by the utility or remaining cost-of-service customers. Currently, the stranded costs associated with direct access elections are assessed in full to the departing customer in Oregon. Additionally, the utilities offer direct access only under strict program caps, short enrollment windows, and lengthy notices to return to cost-of-service rates, among other restrictions. The express or implicit goal of these restrictions is to hold remaining customers harmless. Accordingly, to protect the competitive market, the stranded costs associated with the decision to elect VRET service need to be identified and included in the cost of any VRET product that might be approved by the Commission. The same, or comparable, terms of service applicable to DA, in order to maintain a level playing field between DA service and VRET, need to be incorporated into the VRET tariff – this includes all the rules that limit DA activity (i.e. enrollment windows, notice to return,

program caps, etc.).

b) *What “green energy” options do Energy Service Suppliers (ESS) currently offer in utility service territories under direct access?*

Noble Solutions’ Comments: Noble Solutions offers a “soup-to-nuts” renewable product offering depending on the customers’ needs and goals. This product offering is customized to each and every customer and can be as simple as supplying unbundled RECs or as complicated as a three-way, long-term contract that enables source-to-sink renewable energy deliveries.

c) *Are there new or additional ESS offerings that regulated utilities can enable through direct access that will meet the requirements of direct access laws and improve customer access to the kinds of “green energy” products that they are seeking?*

Noble Solutions’ Comments: The primary incentive that the utilities can offer to promote use of additional “green energy” above and beyond the requirements of Oregon’s RPS would be to lift the program restrictions that currently exist to limit DA service for those customers who wish to purchase a “green energy” product from source to sink. This would include elimination of DA enrollment windows, elimination of participation caps, and elimination of minimum usage limits.

II. *Whether Further Development of Significant Renewable Energy Resources is Promoted? (issues related to HB 4126 Section 3(3)(a))*

- 1. *Should VRET renewable resources be defined to include the same types of renewable energy resources as the Renewable Portfolio Standard (RPS) (e.g. solar power, wind power, but only certain types of hydroelectric power)? Should “further development of significant renewable energy resources” include buying the direct output and/or bundled Renewable Energy Certificates (RECs) from a new renewable resource power plant? From an existing plant? How should “new” and “existing” plants be defined? Should there be a limit on how old the plant is? (e.g. recently constructed or constructed since a selected year)?***

Noble Solutions’ Comments: Yes. The VRET program should be used to further enhance the development of new renewable resources that meet Oregon’s RPS standard, as contemplated in

HB 4126, Section 3(3)(a). “New” should be a date that reasonably reaches back in time without incorporating resources that have been online for more than five years.

- 2. In order to be considered “further development of significant renewable energy resources,” should there be geographic limits on the source of eligible renewable energy (e.g. Oregon or the Northwest)?***

Noble Solutions’ Comments: Assuming the VRET is a source-to-sink offering, there is no need for a geographic limit to be placed on the source of eligible renewable energy because only resources whose output can actually reach Oregon loads will qualify.

- 3. Given that the RPS is a minimum threshold for utilities in the existing cost-of-service rate based system, what should be the minimum renewable energy required in a VRET product (not including non-renewable resources that may be needed for back-up/supplemental service or firming/shaping)?***

Noble Solutions’ Comments: If adopted, the VRET should apply only for a product that is 100% RPS-compliant, excluding firming and shaping energy.

- 4. Of all the models in the VRET Models Table, which model is most likely to promote “further development of significant renewable energy resources”?***

Noble Solutions’ Comments: Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

III. What may be the Effect on Development of a Competitive Retail Market? (HB 4126 Section 3(3)(b))

- 1. How should a VRET’s effect on competitive suppliers and the direct access market be assessed?***

Noble Solutions’ Comments: Any VRET program should be designed to ensure that access to the program and the treatment of transition adjustments is non-discriminatory between the VRET and DA.

- 2. Is the competitive retail market harmed if a regulated utility is able to make offerings***

under a VRET to non-residential customers that a third party competitive supplier is not permitted to provide under the terms of current direct access tariffs (e.g. enrollment windows and transition adjustments)? If so, how?

Noble Solutions' Comments: Yes. The underlying rationale for enrollment windows and transition adjustments does not change just because the program is a utility-sponsored VRET rather than DA. If DA customers are subject to enrollment windows and transition adjustments but VRET customers are not, then the utility would be in a position to create an unlevel competitive offering. If direct access customers have to operate within a predefined arrangement that “protects” the remaining bundled customers and/or shareholders of the utility, then allowing the utility to bypass these “protections” in their VRET offering is unduly discriminatory and harms the competitive retail market.

3. With respect to Model 1(b/x) [third party owned resource & regulated utility facilitated] and Model 1 (c/d) [third party owned resource with aggregation]:

a) What are the effects, if any, on the competitive retail market if Independent Power Producers (IPPs) supply power through the regulated utility as part of VRET design in these models?

Noble Solutions' Comments: This model, given certain adaptations, is essentially a wholesale buy-through tariff, where the utility supplies energy provided to the utility by the customer's chosen wholesale supplier and the utility also provides imbalance energy. This is a model that is adopted by jurisdictions that either do not want, or legally cannot, allow customers to bypass utility procurement. For an example, see Arizona Public Service's (“APS”) Experimental Rate Schedule AG-1.¹ In states that have direct access, this is a suboptimal model as it limits the type of energy products to essentially wholesale products. This model is one potential form of retail wheeling.

¹ Available online at: <https://www.aps.com/library/rates/AG-1.pdf>.

b) *What should the role of the regulated utility be in developing and offering a product or transacting between customers and an IPP under these VRET models?*

Noble Solutions' Comments: The chief role is that of the customer's imbalance provider. A good example is the Arizona Public Service AG-1 rate schedule, which, despite the shortcomings of this type of arrangement, is a well-designed wholesale buy-through tariff. Excessive leaning on APS for imbalance service can lead to disqualification from the rate schedule.

c) *Would these VRET models comport with the requirements of a filed tariff (e.g. must list prices and be accessible to all similarly situated customers [see HB 4126 Section 3(4) and ORS 757.205, 757.210, 757.212, 757.215])? Can these models be implemented such that an IPP is not required to provide confidential pricing data to a regulated utility (e.g. non-disclosure agreements)?*

Noble Solutions' Comments: Inasmuch as the "prices" relate to the services offered by the utility, yes. For the services provided by the IPP, that is a contract between the IPP and the customer and should be confidential.

4. *With respect to Model 1(c/d) [third party owned resource with aggregation] and Model 2(c/d) [regulated utility owned resource with aggregation], if aggregation is allowed, should a regulated utility be prohibited from acting as an aggregator such that the VRET would only permit aggregation by registered aggregators (see OAR 860-038-0380)?*

Noble Solutions' Comments: Yes.

5. *With respect to Model 2 [regulated utility owned resource] and Model 2(c/d) [regulated utility owned resource with aggregation], what are the effects, if any, on the competitive retail market if a regulated utility owns or operates resources as part of VRET design in these models?*

Noble Solutions' Comments: Any generation assets owned by the utility must be offered to all customers on a non-discriminatory basis. Otherwise, the utility is abusing its monopoly status by offering one price to one set of similarly-situated customers and another price to another set of the same similarly-situated customers. This, of course, is unduly discriminatory pricing.

Additionally, the competitive retail market would be seriously harmed if the Commission were to allow the utility-owned renewable generation to be offered to customers as an alternative to standard “brown” cost-of-service offerings without making that renewable service subject to the same restrictions that apply to direct access offerings, as discussed above.

6. *With respect to Model 4(a/X) [customer owned resource]:*

- a) *What are the effects, if any, on the competitive retail market if a customer owns or operates resources as part of the VRET design in this model?***

Noble Solutions’ Comments: As long as the customer ownership option is consistent with existing customer ownership structures and models, this should be competitively neutral.

- b) *Can this model already occur through Partial Requirements tariffs (e.g. PGE schedules 75, 76R, 575 or Pacific Power schedules 47, 247, 747)? If not, how is it differentiated from partial requirements service?***

Noble Solutions’ Comments: Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

- c) *Would this VRET model comport with the requirements of a filed tariff (e.g. must list a price and must be accessible to all similarly situated customers [see HB 4126 Section 3(4) and ORS 757.205, 757.210, 757.212, 757.215])?***

Noble Solutions’ Comments: Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

- d) *If a customer owned renewable resource is off-site, should it be treated as a third party supplier (e.g. similar to the IPPs role in Model 1(b/x) [third party owned resource & regulated utility facilitated]? If not, why? May a customer that generates more power at an off-site resource than needed at a given time sell the excess power to other customers?***

Noble Solutions’ Comments: If the customer needs the utility’s distribution system, even in an over the fence arrangement, this would be Model 1(b/x). A customer can always sell its excess

generation if it registers as an ESS and serves the “other” customers under direct access.

- e) ***Should on-site resources be limited to the Net Metering program? Does inclusion as a net metered resource depend on if any excess energy generation is anticipated? If a customer owned resource is on-site, but is permitted to be operated and managed by the regulated utility or IPP as a service provided through a VRET, should it be distinguished from the Net Metering program?***

Noble Solutions’ Comments: Net metering is probably the easiest way to incorporate this model into the utility paradigm. The utility should pay the customer for any energy generated in excess of the customer’s load at the utility’s avoided costs, consistent with existing avoided cost tariffs.

IV. *What may be the Direct or Indirect Impacts on Non-Participating Customers (issues related to HB 4126 Section 3(3)(c))*

1. ***What regulatory tools or VRET design elements (e.g. transition charges for customers that leave the cost-of-service system) would ensure that the prices paid for products under a VRET reflect all costs associated with providing that service, including any requisite back-up/supplementary service (e.g. firming/shaping), without subsidization from non-participating customers?***

Noble Solutions’ Comments: Direct access has addressed all these questions to the satisfaction of the Commission with transition adjustments and restrictions on utility participation as the generation supplier, among other protections. The Commission should refer to the direct access program for guidance.

2. ***What regulatory tools or VRET design elements would ensure that non-participating customers do not face increased risk of VRET obligations (e.g. costs of under-subscribed VRET resources or unfulfilled power purchase agreement obligations)?***

Noble Solutions’ Comments: This is the fundamental issue with utility procurement that is not part of the bundled service offering. In order to shift this risk from the utility, the shareholder or the non-participating ratepayer, this risk is carried in the direct access program by either the participating customer, the ESS or the IPP. A similar arrangement should apply in the VRET

program for all of the reasons set forth herein.

- 3. *How should the fixed costs of the existing cost-of-service rate based system be allocated to VRET participants that completely or partially leave the cost-of-service rate based system?***

Noble Solutions' Comments: The fixed costs of utility service stranded by departing VRET customers should be treated in the same manner as is prescribed in direct access.

- 4. *Assuming that VRET load is part of "total retail electric sales," what would be the impact to RPS resource cost recovery and compliance requirements if a significant amount of VRET load leaves the cost-of-service rate-based system? Would VRET customers continue to pay for RPS compliance requirements (e.g. their share of rate-based RPS renewable resources and RAC filings)?***

Noble Solutions' Comments: If the bundled portfolio RPS costs are stranded, and that depends on how the VRET plans to "count" VRET RPS sales, then customers should be required to pay for the portion of RPS compliance in the bundled portfolio that is stranded due to VRET participation just as they would be required to pay for those stranded costs under a direct access program.

- 5. *With respect to Model 2 [regulated utility owned resource] and Model 2(c/d) [regulated utility owned resource with aggregation], should the regulated utility have a separate set of resources used for VRET customers in a "VRET rate base" for which the costs and rate of return are regulated by the PUC? How should the regulated utility account for separate capital investments and costs of capital related to a VRET?***

Noble Solutions' Comments: Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

- 6. *With respect to Model 2(c/d) [regulated utility owned resource with aggregation] and Model 1(c/d) [third party owned resource with aggregation], if the regulated utility is allowed to aggregate retail load through a VRET, how should the regulated utility manage the risk and timing of the matched VRET load and/or the obligations to the aggregated RE generators?***

Noble Solutions' Comments: Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

V. *Whether VRETs should rely on a Competitive Procurement Process? (issues related to HB 4126 Section 3(3)(d))*

- 1. *Should the Commission limit VRET resource eligibility to renewable energy developed and supplied through a competitive procurement process? With an independent evaluator? If yes, why? If no, how should the Commission evaluate renewable energy not supplied through a competitive process?***

Noble Solutions' Comments: Yes. At a minimum, all applicable RFP requirements from docket UM 1182 should apply regardless of the size of the VRET generation resource if there will be a utility-ownership option. However, the VRET program should not be used as a vehicle to add to the utility's rate base because allowing for that opportunity is highly likely to shift costs to other customers and harm Oregon's competitive wholesale and retail market for electricity.

- 2. *Should the PUC's existing processes for competitive bidding (currently for "major resources" defined as quantities greater than 100 MW and duration greater than five years [UM 1182, Order Nos. 12-007 and 11-340]) be adapted for use with VRET resources and, if so, how should it be changed?***

Noble Solutions' Comments: Noble Solutions would prefer that there is no utility ownership option for the reasons stated above. However, Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

- 3. *With respect to Model 2 [regulated utility owned resource] and Model 4(a/x) [customer owned resource], is there any room for a competitive procurement process in these models?***

Noble Solutions' Comments: Noble Solutions would prefer that there is no utility ownership option for the reasons stated above. However, Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

- 4. *With respect to Model 2(c/d) [regulated utility owned resource with aggregation], what regulatory tools or VRET design elements would ensure that a regulated utility-owned resource fairly competes in a competitive procurement process?***

Noble Solutions' Comments: Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

VI. *Other considerations (issues related to HB 4126 Section 3(3)(e))*

- 1. *What customer protections may be appropriate for VRET resources (e.g. Green-E certification? Commission or advisory group oversight?)? For which customer classes or subsets of classes?***

Noble Solutions' Comments: The product should be Oregon Department of Energy (“ODOE”) RPS certified.

- 2. *How will resources developed for a VRET, for which environmental attributes will be claimed by customers, be represented in power mix disclosures (e.g. regulated utility disclosures pursuant to OAR 860-038-0300)? Assuming that a VRET could be used for partial loads with continued use of the existing cost-of-service rate based system, how would such a customer claim its renewable resource use (e.g. claim a portion of the RPS in its “green” marketing)?***

Noble Solutions' Comments: VRET customers should receive a different product mix label than the bundled utility customers.

- 3. *What other factors, if any, should the Commission consider in determining whether and how utilities should offer VRETs to non-residential customers?***

Noble Solutions' Comments: Noble Solutions takes no position on this question at this time, and looks forward to responding to the comments of others on this point.

DATED this 12th day of December, 2014.

RICHARDSON ADAMS, PLLC

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Of Attorneys for the Noble Americas
Energy Solutions LLC

Noble Solutions' VRET Model Table

UM 1690

December 12, 2014

Study of Potential Model VRETs

8/13/2014

Basic Structure				Statutory Considerations				Potential Conditions	
Resource Owner	Utility Role	Relationships	Notes/Comments	Further Dev of Significant RE	Effect on Dev of Competitive Retail Markets	Impacts on Non-Participating Customers	Competitive Procurement Process	Other Considerations	to mitigate issues or cons in the statutory considerations (e.g. VRET cap, transition adjustment charges)
Third Party - Existing Direct Access Comparison to Potential VRET Models	Existing Direct Access- "Direct access" means the ability of a retail electricity consumer to purchase electricity and certain ancillary services directly from an entity other than the distribution utility. (861-038-0005(13))	*ESS contracts with non-residential customer to sell electricity services. *ESS schedules energy to utility, which delivers the energy to the customer through the distribution system. *ESS could provide back-up/supplemental (firming/shaping) services, but may not, instead those services may be provided by the regulated utility. *An aggregator may combine customer loads into a buying group for purchase of electricity and related services.	Staff added this row at the suggestion of several parties as a backdrop to the VRET models evaluation to provide a comparison between potential VRET models and the existing direct access model.	Yes, if program restrictions are lifted/limited.	Promoting renewables through DA would have a positive effect on the competitive market.	DA accounts for and mitigates the impacts on non-participating customers.	This model allows for competition between competing, non-monopoly, suppliers for the customer without the need for PUC oversight.	Current caps and other program limits are the major impediment to promoting additional green energy use through DA.	There are no additional restrictions necessary for DA; if anything, the restrictions should be relaxed for renewable resources if less restrictive terms are provided for departing VRET loads.
(1.) Third Party (IPP, ESS)	(1b/x) Third party owned renewable resource. Regulated Utility facilitates between a 3rd party and customer(s).	*Regulated Utility facilitates between a 3rd party and customer(s). *Customer and 3rd party negotiate for renewable energy service. *Regulated utility takes ownership of power through contract with Third Party. Tariff is set for same price and duration as contract. Contract terminates if customer defaults. *Utility remains primary point of contact for billing and (by customer choice) load management/ancillary services. Utility could credit customer bill for project output (at credit amount TBD - e.g. utility's wholesale avoided cost rather than retail rate) and service balance of customer's energy and capacity need (if any) at cost of service rate.	This model is generally described in the Rocky Mountain Power filing in Utah (Docket 14-035 TUD), but staff removed the "second contract" language because it may not be legal in Oregon. Instead, staff replaced "second contract" with tariff. Also, staff added elements of RNW's (1.x) model without the specifics of the RFP (which will be examined in the statutory considerations and potential conditions sections of the study).	Potentially.	There could be a negative effect on competitive direct access markets if the terms of access to the VRET tariff are less restrictive than those applicable to DA.	There could be a negative effect on non-participating customers if the terms of access to the tariff are less restrictive than the utility's DA tariffs.	This model allows for competition between competing, non-monopoly, suppliers for the customer without the need for PUC oversight.		The same restrictions applicable to DA tariffs for the utility should apply.
	(1c/d) Third party owned renewable resource. Regulated utility or third party aggregator matches VRET loads with aggregate VRET RE generators to mitigate issues of timing and risk.	*Regulated utility or third party aggregator could aggregate customers into "VRET load," put that aggregated load out for bid, and contract with third parties to serve that load. *And/or regulated utility or third party aggregator could aggregate third party RE generators and purchase output through fixed price, long term contracts, the regulated utility offers that output to the customers through a "subscription" process. *Regulated utility or third party aggregator could match VRET load(s) with aggregate VRET RE generators to mitigate issues of timing and risk.	Combined 1(c) and 1(d) to create this row 1(c/d). Issues of timing and risk depending on when and how aggregation occurs. Added option for third party aggregator (not just utility) to aggregate load or supply.		Potentially.	There could be a negative effect on competitive direct access markets if the terms of access to the VRET tariff are less restrictive than those applicable to DA.	There could be a negative effect on non-participating customers if the terms of access to the tariff are less restrictive than the utility's DA tariffs.	This model allows for competition between competing, non-monopoly, suppliers for the customer without the need for PUC oversight.	
(2.) Regulated Utility	(2) Regulated utility owns and operates the renewable resource(s) and delivers power to customer.	Regulated utility and customer(s) negotiate long-term contract(s) for non-system renewable energy.	General concerns in comments about ability of regulated utility to prevent cost-shifting and effects on competitive market - which will be explored through consideration of the statutory factors.	Potentially.	There would be a negative effect on all competitive retail and wholesale markets if a utility ownership option is included.	There could be a negative effect on non-participating customers if the terms of access to the tariff are less restrictive than the utility's DA tariffs.	This model should not be pursued, but if it is all RFP requirements from UM 1182 must be the minimum requirements for resource acquisition.		Because this model is highly likely to shift costs to other customers and harm Oregon's competitive wholesale and retail market for electricity, mitigating conditions are likely to be inadequate. At a minimum, the same restrictions that apply to direct access offerings of the utility must apply to any utility-owned VRET option.
	(2c/d) Regulated utility owns and operates the renewable resource(s), which could be eligible to compete in a Request for Proposal (RFP) for supplying aggregated VRET load (as described in Model 16/d).	*Similar to relationships in the aggregation-related model 1c/d. *Regulated utility could aggregate customers into "VRET load," put that aggregated load out for bid, and contract to serve that load. *And/or regulated utility could aggregate third party RE generators and purchase output through fixed price, long term contracts, the regulated utility could then offer that output to customers through a "subscription" process.	General concerns in comments about ability of regulated utility to prevent cost-shifting and effects on competitive market - which will be explored through consideration of the statutory factors.		Potentially.	There would be a negative effect on all competitive retail and wholesale markets if a utility ownership option is included.	There could be a negative effect on non-participating customers if the terms of access to the tariff are less restrictive than the utility's DA tariffs.	This model should not be pursued, but if it is all RFP requirements from UM 1182 must be the minimum requirements for resource acquisition.	
(4.) Customer Owned	(4a/x) Customer owned renewable resource. Regulated Utility role depends on the customer's specific load and resource. Could involve distribution and back/supplemental services ("firming/shaping").	* If customer self-generates renewable energy on site, then likely requires other regulated utility services and may fall under Net Metering. *Could be distinct from Net Metering if Regulated Utility credits customer bill for project output (at credit amount TBD - the utility's wholesale avoided cost rather than retail rate) and serves balance of customer's energy/capacity needs (if any) at cost of service rates. *Utility could remain primary point of contact for billing and (by customer choice) load management/ancillary services.	General concerns in comments about interaction with net metering and whether customer-owned resources should be treated like third-party IPPs. Continued open questions and potential confusion about on-site or off-site customer owned resources. Staff added elements of RNW's (1.x) model without the specifics of the RFP (which will be examined in the statutory considerations and potential conditions sections of the study).	Potentially.	Noble Solutions takes no position on this issue at this time.	Noble Solutions takes no position on this issue at this time.	N/A		Noble Solutions takes no position on this issue at this time.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 12th day of December, 2014, a true and correct copy of the within and foregoing **COMMENTS OF NOBLE AMERICAS ENERGY SOLUTIONS LLC, IN DOCKET UM 1690** was served as follows:

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