

On behalf of myself and certain currently unidentified nonresidential customers, I hereby submit the following comments related to the proposed Green Tariff.

ODOE'S REMARKS ARE APPROPRIATE AND WELCOME. It seems reasonable to assess, compare and contrast the relative costs and benefits of various proposals before focusing on one or two. Often what seems an obvious answer turns out to have significant ramifications. While nonresidential customers are applauded for wanted to use green energy for their production and business needs, the effort is not without potential downside for the remaining customers. When the downsides are quantified and those costs added to the cost of the tariff, it may be that the specific approach is not economical or that the benefits are less than anticipated. Once the cost and benefit analysis is completed then the right choice can be made on how the tariff would work. Rather than essentially voting on what seems to be the most popular approach, staff and the Commission need to understand the impacts of each proposal.

There are several approaches that could be considered, not all of which fit neatly into the excel spread sheet provided. For instance, there is probably no reason to distinguish who owns the supply if the utility role is only a distribution entity. If the utility collects the fees identified in the direct access tariff, it doesn't matter if the green energy customer buys the product from a third party supplier/ESS, builds and owns a project, or has a shared arrangement with a third party supplier/ESS. The only real inquiry is whether the fees associated with this form of direct access fully cover the costs to the other customers. However, because the world has changed somewhat since the Direct Access tariff was first conceived, it may be time to reexamine those costs.

Allowing the utility to act as agent for the customer may have advantages to the remaining customers. It would then be different from a distribution utility and collector of fees. As an example, the original Direct Access "adders" assumed a larger load growth than the region has seen. Renewable Portfolio Standards were not yet fully in place. With something in the neighborhood of a 1% load growth—and not withstanding good work of the Commission and Staff -- the utilities may have more green resources than they can use currently. If so, then allowing a customer to essentially go off the utility grid for its power leaves a greater stranded investment than originally contemplated. But, if there were arrangements that would allow the utility to sell the excess green resources on a short term basis – thus allowing the green customer to accurately boast that its 100% green – there might a benefit for all customers as it could use what is being held to satisfy RPS and other obligations and not being resold.

IPPs and green energy providers would like this to be a way to restart green resource development in the Northwest which has been frustrated by an inability for BPA to appropriately price and provide balancing services to integrate wind and solar and the on again, off again view of tax credits for wind and solar. This tariff could do that but the costs of integration and any additional costs for transmission must be paid by the green tariff buyers or else it will be a subsidy by nonparticipants. If the Commission wants to decide that it will allow such a subsidy, it needs to understand the potential costs and decide as a matter of policy that it is appropriate for Oregon to facility development in that way.

To summarize, there are costs to doing the green tariff that – unless the Commission makes a policy decision otherwise – should only be borne by the green tariff participant. Some approaches have more value than others. Until these various proposals are better understood – best donw by the proposed study – the Commission will be unable to make a reasoned decision on what provides the most benefits

and how those benefits are calculated. That may be a better approach than, for instance, choosing a single approach to recommend to the Commission, only to have nonparticipants asking to have that approach limited to some small number of participants or megawatts in order to prevent subsidies and to give the Commission time to better understand the implications.

Submitted By

Ann Fisher
AF Legal & Consulting Services
4800 SW Griffith Ave, Ste 125
Beaverton, Oregon 97005
503-721-0181
ann@annfisherlaw.com

I hereby certify that the above comments were served electronically to the electronic service list in this docket, below, UM OR UM 1690.

/s/ Ann Fisher