



PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 3, 2015

REGULAR _____ CONSENT X EFFECTIVE DATE November 8, 2015

DATE: October 8, 2015

TO: Public Utility Commission

FROM: Brittany Andrus 

THROUGH: Jason Eisdorfer  and Aster Adams 

SUBJECT: PACIFIC POWER: (Docket ADV 114/Advice No. 15-013) Withdraws Schedules 37 and 38, Avoided Cost Purchases from Qualifying Facilities, from Tariff.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Pacific Power's (PacifiCorp or Company) Advice No. 15-013 effective November 8, 2015, as requested.

DISCUSSION:

Issue

Should PacifiCorp remove Schedules 37 and 38 from its Tariff? Staff supports this removal.

Rules, Orders and Applicable Statutes

The Commission has found that avoided cost price schedules for Qualifying Facilities (QFs) are not tariffs and do not fall under the statutory framework of ORS 757.210 *et seq.* In Order 09-427, the Commission stated that ORS 757.210

“...is part of the statutory framework established for the review and approval of rates *charged* by utilities for electric service...ORS 757.210 does not apply to the review and approval of rates *paid* by utilities to QFs, which is governed by the separate statutory framework set forth in ORS 758.505 to 758.555...”

The Commission also considered the applicable statutory framework for avoided cost prices in Order 05-1061 and found that "...ORS 757.215(4), by its plain language, does not apply to rates paid to QFs..."

Analysis

In Advice No.15-013, PacifiCorp proposes to withdraw Schedules 37 and 38 from its tariff. These schedules contain the Power Purchase Information and Avoided Cost Prices paid to QFs. The avoided cost price schedules for QFs will no longer be part of PacifiCorp's tariff and will be maintained outside the tariff book. PacifiCorp has notified staff that Schedules 37 and 38 will be removed from the "Rate Schedules" link on the Pacific Power Oregon Regulatory Information website. Schedules 37 and 38 will continue to be posted on the Pacific Power Qualifying Facilities page.

PacifiCorp Advice 15-013, if approved, will have no effect on QF contracting practices or avoided cost prices. The substance of Schedules 37 and 38 will continue to apply. Contract terms and avoided cost prices remain subject to the Commission's direction in Order 05-584 and subsequent orders. The only change is that the schedules will be maintained outside the tariff, and Commission review will be governed by statutes at ORS 758.505 to 758.555, which address the Commission's delegated authority under PURPA. The proposed action is consistent with previous advice from Staff, based on consultation with the Oregon Department of Justice.

PROPOSED COMMISSION MOTION:

PacifiCorp's Advice No.15-013 be allowed to go into effect November 8, 2015.