

BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of PACIFICORP, dba PACIFIC POWER,)	Docket No. UM 1794
)	
Investigation into Schedule 37 - Avoided Cost Purchases from Qualifying Facilities of 10,000 kW or Less)	MOTION TO COMPEL DISCOVERY BY THE COMMUNITY RENEWABLE ENERGY ASSOCIATION
)	
)	EXPEDITED PROCESSING REQUESTED
)	

I. INTRODUCTION AND SUMMARY

The Community Renewable Energy Association (“CREA”) respectfully moves Administrative Law Judge (“ALJ”) Allan Arlow to issue a written ruling compelling PacifiCorp to provide complete responses to CREA’s first set of date requests under OAR 860-001-0500(7) in the above-captioned contested case proceeding before the Oregon Public Utility Commission (“Commission” or “OPUC”). In the non-contested case predecessor to this docket, the Commission ordered PacifiCorp to file new avoided costs with prices based on renewable and non-renewable deficiency periods beginning in 2028 based on the cost and performance data from its 2015 IRP, i.e. *not* the 2015 IRP Update. *See* Order No. 16-307. However, recognizing that other parties had no opportunity to vet all available data, the Commission further directed: “an expedited contested case proceeding *shall be opened to allow a more thorough vetting of the issues raised in this proceeding and possible revision to Schedule 37 avoided cost prices on a prospective basis.*” *Id.* (emphasis added). Thus, the very purpose of this docket is an expedited vetting of all potentially relevant information related to PacifiCorp’s avoided costs.

Although CREA was denied discovery in the predecessor docket UM 1729 on the ground

that it was not a contested case, CREA promptly sought discovery into three relevant areas after ALJ Arlow issued the contested case notice in this docket: (1) information regarding the 2016 Renewable Request for Proposals (“RFP”) and internal documents supporting PacifiCorp’s ultimate course of action in the RFP (data requests 1.1 through 1.7); (2) information regarding the assumptions and support for use of a Wyoming wind farm as the proxy resource, as exists in the currently effective avoided cost rates (data requests 1.8 and 1.9); and (3) information and documents related to PacifiCorp’s need for renewable resources, including inconsistent statements made to the legislature and documents produced in the ongoing renewable implementation plan docket (data requests 1.10 and 1.11). PacifiCorp refused to provide any discovery, and CREA sought resolution of the discovery dispute before ALJ Arlow.

ALJ Arlow already correctly resolved this discovery dispute in CREA’s favor during the discovery conference held on October 6, 2016 under OAR 860-001-0500(6). As ALJ Arlow already determined, CREA’s first set of data requests were narrowly tailored to obtain information that is likely to lead to relevant evidence regarding PacifiCorp’s avoided costs, and PacifiCorp’s objections to providing complete responses lack merit. However, PacifiCorp has refused to comply with ALJ Arlow’s resolution of the dispute on the ground that it was not a written ruling in response to a motion to compel discovery. PacifiCorp also filed a motion for clarification or certification to the Commission of ALJ Arlow’s resolution of the discovery dispute at the discovery conference. CREA submits that ALJ Arlow’s prior directive has legal effect and cannot be ignored by PacifiCorp for the reasons set forth in CREA’s concurrently filed response to PacifiCorp’s motion for clarification or ALJ certification.

However, in the alternative, CREA files this expedited motion to compel discovery for

the same reasons ALJ Arlow already directed PacifiCorp to provide discovery responses. If ALJ Arlow agrees that his prior directive was a meaningless legal nullity, as PacifiCorp asserts, CREA respectfully requests that ALJ Arlow issue a written ruling granting this motion to compel to moot PacifiCorp's procedural arguments and allow CREA and other parties to move onto the substantive merits of this docket.

II. REQUEST FOR EXPEDITED TREATMENT

PacifiCorp's intentional delay tactics have seriously compromised CREA's ability to plan and develop its own testimony, which must be filed on November 18, 2016. While PacifiCorp's delays may ultimately require changes to the current procedural schedule, CREA respectfully requests expedited resolution of this dispute and shortened response times for PacifiCorp in order to make a good faith effort to complete this case on an expedited basis. CREA submits that no response is necessary at all since PacifiCorp has already had the opportunity to present its objections to the underlying data requests prior to and during the discovery conference and in its request for clarification or certification of ALJ's resolution at that discovery conference. However, if ALJ Arlow is inclined to provide PacifiCorp an opportunity to again present the basis for its objections, CREA respectfully requests a shortened response time of two business days, and requests resolution without awaiting a reply from CREA.

Counsel for CREA certifies that the other parties to this docket were contacted regarding expedited treatment of processing on two business days via email sent yesterday. The Renewable Energy Coalition indicated it supports CREA's proposed response deadlines, but PacifiCorp opposes expedited treatment. No other party responded to CREA's inquiry.

III. CERTIFICATION OF ATTEMPT TO MEET AND CONFER

Counsel for CREA certifies that the parties have attempted to meet and confer. The emails between the parties prior to the October 6 discovery conference regarding this discovery dispute are contained in the Attachment to this filing, which is CREA's submittal requesting the discovery conference. The parties also participated in a discovery conference on October 6, 2016, where ALJ Arlow provided a resolution to the discovery dispute without a written ruling. Additionally, counsel for CREA again attempted to confer with PacifiCorp on October 18, 2016 via telephone, but PacifiCorp's counsel was unavailable. Given PacifiCorp's attempt to appeal ALJ Arlow's resolution already, it appears that PacifiCorp is not interested in further discussions.

IV. SUMMARY OF DISPUTE

CREA has attached its submittal requesting a discovery conference containing background and CREA's position that ALJ Arlow already determined to have merit, and incorporates the summary of this dispute set forth therein by reference. This section provides additional background on the discovery conference and events occurring since that conference.

ALJ Arlow held a discovery conference under OAR 860-001-0500(6) on October 6, 2016. PacifiCorp, Renewable Energy Coalition ("REC"), OPUC Staff, and CREA participated and presented their positions. ALJ Arlow agreed that CREA was entitled to responses to the first set of data requests and directed the parties to develop any necessary modified protective order to address confidentiality concerns with the RFP results.

However, PacifiCorp never contacted CREA to develop a modified protective order, and provided no additional responses regarding the RFP results or any other data requests for over a

week. Instead, on October 12, 2016, PacifiCorp filed its motion for clarification or ALJ certification challenging the ALJ Arlow's resolution of the dispute on procedural and substantive grounds. PacifiCorp filed its opening testimony on October 14, 2016 – essentially mooting its objection to providing discovery responses prior to the filing of its testimony. On October 18, 2016, without any prior notice or discussion, PacifiCorp provided supplemental responses to CREA data requests 1.9 and 1.10, mooting its objections and request for certification with regard to those requests. At the time of this filing, PacifiCorp has provided no substantive response to CREA data requests 1.1 through 1.8 and 1.11, all of which were included in the set to which ALJ Arlow directed PacifiCorp to respond.

V. ARGUMENT

CREA incorporates by reference the arguments contained in its attached request for informal dispute resolution that ALJ Arlow already determined to have merit. In addition to the arguments set forth therein, CREA offers the following limited response to the merits of the objections PacifiCorp raised in its motion for clarification or certification, which mirrors the response contained on the merits of the dispute in CREA's response to PacifiCorp's motion for clarification/certification.

On the merits of the discovery dispute, PacifiCorp offers nothing new that warrants reconsideration of ALJ Arlow's direction that PacifiCorp provide complete responses to CREA's first set of data requests. Although PacifiCorp asserts that its basic procedural rights were somehow violated, its arguments in its request for ALJ certification add nothing new to the arguments it previously presented at the discovery conference. ALJ Arlow should therefore

again direct PacifiCorp to provide complete responses to all of the requests contained in CREA's first set of data requests.

As noted in CREA's prior submittal triggering the discovery conference, the data requests sought three categories of materials: (1) information regarding the 2016 RFP and internal documents supporting PacifiCorp's ultimate course of action in the RFP (data requests 1.1 through 1.7); (2) information regarding the assumptions and support for use of a Wyoming wind farm as the proxy resource, as exists in the currently effective avoided cost rates (data requests 1.8 and 1.9); and (3) information and documents related to PacifiCorp's need for renewable resources, including inconsistent statements made to the legislature and documents produced in the ongoing renewable implementation plan docket (data requests 1.10 and 1.11). PacifiCorp's motion for clarification/certification provides no argument whatsoever regarding the second and third categories of requests, and therefore concedes that ALJ Arlow correctly directed complete responses to those requests.¹ PacifiCorp only actually presents argument disputing its obligation to provide information related to the RFP, but its sole argument lacks merit.

The requested RFP information was *placed in issue by PacifiCorp* in support of PacifiCorp's position. One of the most critical disputed issues in setting PacifiCorp's avoided costs in this proceeding and the precursor proceedings has been the proper cost assumptions for PacifiCorp's next avoidable wind facility. CREA and OPUC Staff have argued that the OPUC should require PacifiCorp to use the cost assumptions from its acknowledged 2015 Integrated

¹ Indeed, just yesterday, PacifiCorp provided supplemental responses to data requests 1.9 and 1.10, further conceding these topics are relevant and complete responses are also necessary to data requests 1.8 and 1.11.

Resource Plan (“IRP”) for the purpose of setting avoided cost rates, but PacifiCorp has argued that the lower costs for a wind facility contained in its post-hoc, *unacknowledged* 2015 IRP Update are more reasonable. *See* Order No. 16-307 at App. A at 4-6. The OPUC has a well-established policy not to set avoided costs based upon an *unacknowledged* IRP Update. *See* Order No. 14-058 at 25-26. Thus, recognizing it had to somehow legitimize its *unacknowledged* 2015 IRP Update, PacifiCorp directly pointed to the alleged RFP results as a basis to corroborate the *unacknowledged* 2015 IRP Update’s cost figures through its Supplemental Application in docket UM 1729 (cited in the data requests themselves), and then apparently presented those RFP results (or some summary of them) to the OPUC in an ex parte presentation of the RFP results on July 26, 2016. The RFP information requested is therefore inextricably intertwined with direct assertions PacifiCorp made to the OPUC in support of its wind proxy cost proposals from the *unacknowledged* 2015 IRP Update.

PacifiCorp’s recent filing of testimony in this docket only further supports the relevance of the RFP results that PacifiCorp has already presented to the OPUC. Despite arguing that it would not present evidence in docket UM 1794 that placed the RFP results in issue, PacifiCorp in fact relies again on its *unacknowledged* 2015 IRP Update. *See* UM 1794 PAC/100, Dickman/4:9-15 (relying on its UM 1729 Supplemental Application, which was “explicitly linked to using updated cost and performance assumptions for the proxy renewable resource”); *id.* at 6:9-10 (alleging there have been “significant reductions in the cost of renewable resources since the 2015 IRP was prepared,” and the 2015 IRP Update is more accurate). Although PacifiCorp does not again cite its alleged RFP results as a basis to support the *unacknowledged* 2015 IRP Update, it already alleged the RFP results support its position and apparently presented

those results to the OPUC in an ex parte proceeding. Put simply, that bell cannot be un-rung by relabeling this docket UM 1794 instead of docket UM 1729.

The RFP information is relevant and potentially useful for multiple additional reasons aside from the reasons PacifiCorp itself already used it in a presentation to the Commissioners and its Supplemental Application in docket UM 1729. For example, CREA's data request 1.7 requests the cost assumptions for Bonneville Power Administration transmission used for purposes of evaluating RFP bids, which may enable CREA to develop its own proposal for the avoided cost rates with inclusion of an appropriate transmission cost adder to the avoided costs for an Oregon wind farm. And CREA's data request 1.6 requests all documents provided to PacifiCorp's executive officers and board of directors regarding its decision not to acquire a physical resource in the RFP, which obviously may provide insights into PacifiCorp's actual resource sufficiency position beyond the statements made in its IRP's and filings at the OPUC. PacifiCorp provides no basis to withhold such documents or a privilege log listing the materials it claims to be privileged. Furthermore, the RFP information is potentially useful and relevant for the independent reason to test the truth of the allegations PacifiCorp made earlier in this proceeding. If PacifiCorp or its witnesses misled or withheld material facts in making assertions about the RFP bid results and current market conditions, that fact would be useful for impeachment of the credibility of PacifiCorp and its witnesses in this proceeding.

PacifiCorp's objection that the material is confidential is misplaced. It is well settled that "a party's assertion that information responsive to a discovery request is confidential may not be used to delay the discovery process." OAR 860-001-0500(8). Additionally, PacifiCorp's claims are undercut by the fact that it apparently already shared much of the information (or a summary

of it) at an ex parte meeting with the Commissioners. Having done so, PacifiCorp cannot withhold the data underlying its assertions from parties here.

PacifiCorp suggests that counsel for CREA will disseminate the RFP information for use among businesses that CREA represents for the purpose of gaming the next RFP. This suggestion actually contradicts PacifiCorp's lead position in its recently filed testimony, which is that it will not hold another renewable RFP to acquire a renewable resource until at least 2028. While CREA does believe that PacifiCorp will wait more than a decade to acquire new renewable resources, the bid results in the now-closed RFP may not be highly sensitive because there would be no way to use them to PacifiCorp's disadvantage in another RFP. In any event, such concerns can be, and regularly are, addressed by the terms of a modified protective order. Indeed, ALJ Arlow appropriately directed PacifiCorp to work with the other parties and Staff to develop the necessary protective order. The allegedly sensitive nature of the material is not a basis to deny discovery.

Therefore, to the extent ALJ Arlow agrees with any of PacifiCorp's procedural challenges to the directive at the October 6th discovery conference, ALJ Arlow should again reject PacifiCorp's discovery objections and issue a written ruling compelling discovery of CREA's first set of data requests.

VI. CONCLUSION

If ALJ Arlow agrees that his prior directive was a meaningless legal nullity, as PacifiCorp asserts, CREA respectfully requests that ALJ Arlow issue a written ruling granting this motion to compel to moot PacifiCorp's procedural arguments and allow CREA and other parties to move onto the substantive merits of this docket.

RESPECTFULLY SUBMITTED this 19th day of October, 2016.

RICHARDSON ADAMS, PLLC

/s/ Gregory M. Adams

Gregory M. Adams (OSB No. 101779)
Of Attorneys for the Community Renewable
Energy Association

UM 1794 CREA Motion to Compel Discovery

Attachment 1

BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of PACIFICORP, dba PACIFIC POWER,)	Docket No. UM 1794
)	
Investigation into Schedule 37 - Avoided Cost Purchases from Qualifying Facilities of 10,000 kW or Less)	REQUEST FOR INFORMAL RESOLUTION OF DISCOVERY DISPUTE BY THE COMMUNITY RENEWABLE ENERGY ASSOCIATION
)	
_____)	

I. INTRODUCTION

The Community Renewable Energy Association (“CREA”) respectfully requests that the Administrative Law Judge (“ALJ”) resolve a discovery dispute, under OAR 860-001-0500(6) between CREA and PacifiCorp in the above-captioned contested case proceeding before the Oregon Public Utility Commission (“Commission” or “OPUC”). As explained below, even though ALJ Allan Arlow issued a contested case order on September 8, 2016, PacifiCorp has refused to respond to any data requests lodged by CREA until after October 14, 2016, which is the due date for PacifiCorp’s opening testimony. PacifiCorp’s intentional delay tactic has already compromised CREA’s ability to plan and develop its own testimony, which must be filed on November 18, 2016. Accordingly, CREA respectfully requests a telephone conference with ALJ Arlow this week to compel PacifiCorp to provide complete responses to CREA’s first set of data requests, as described below.

II. SUMMARY OF DISPUTE

This is a proceeding to set PacifiCorp’s avoided cost rates, which PacifiCorp first initiated after acknowledgement of its 2015 Integrated Resource Plan (“IRP”). This proceeding

to update the avoided costs was initially docketed as UM 1729, and the Commission initially rejected PacifiCorp's proposed rates on the ground that the assumptions underlying them in the IRP had been superseded by passage of Senate Bill 1547. *See* Order No. 16-117. The Commission directed the parties to “work together and propose an expedited and non-contested case process to update PacifiCorp's avoided costs in light of the passage of SB 1547.” *Id.* The negotiations failed, however, and PacifiCorp filed a Supplemental Application on June 21, 2016, proposing to use its unacknowledged 2015 IRP Update as the basis for the inputs to the proxy resource assumptions and asserting that preliminary bids into a request for proposals (“RFP”) supported its proposed avoided costs.

On June 22, 2016 and June 23, 2016, CREA filed two sets of data requests seeking to obtain supporting information supporting PacifiCorp's factual allegations regarding the RFP bids and RFP evaluations assumptions. PacifiCorp objected to providing the requested information on the grounds that the proceeding was not a contested case and that the information requested is confidential. However, in this same timeframe, on July 26, 2016, PacifiCorp also engaged in a special presentation to the Commission regarding the bids and evaluation of the then-ongoing RFP, but much of this material was designated as confidential and withheld from public disclosure or use in Commission dockets. On July 29, 2016, therefore, CREA requested informal dispute resolution to obtain the material it had requested. But ALJ Grant declined to require PacifiCorp to produce any material in discovery on the ground that the proceeding docketed as UM 1729 was not a contested case.

On August 16, 2016, the Commission addressed PacifiCorp's proposed avoided costs at the Commission's public meeting. However, since CREA and other parties had been provided

no discovery, they were effectively unable to confirm or attempt to disprove PacifiCorp's factual assertions in its Supplemental Application. Furthermore, PacifiCorp changed its position at the public meeting and presented a whole new theory of its avoided costs from that presented in its Supplemental Application. The Supplemental Application proposed a renewable resource deficiency date of 2018 and relied upon alleged bids for an Oregon wind farm into the RFP as the basis to set the proxy resource costs. In contrast, at the public meeting, PacifiCorp argued that it would not be renewable deficient until at least 2028 (or later). CREA pointed out at the public meeting that it could not respond to PacifiCorp's initial or revised arguments because CREA had been denied discovery rights regarding PacifiCorp's avoided costs.

The Commission ordered PacifiCorp to file new avoided costs with prices based on renewable and non-renewable deficiency periods beginning in 2028 based on the cost and performance data from its 2015 IRP, i.e. *not* the 2015 IRP Update or the RFP bids. *See* Order No. 16-307. However, recognizing that other parties had no opportunity to vet all available data, the Commission further directed: "an expedited contested case proceeding *shall be opened to allow a more thorough vetting of the issues raised in this proceeding and possible revision to Schedule 37 avoided cost prices on a prospective basis.*" *Id.* (emphasis added).

On August 22, 2016, PacifiCorp filed its revised avoided cost rates in compliance with Order No. 16-307. The renewable rates are set based upon the assumption that PacifiCorp would build a wind farm in Wyoming in 2028 with a higher capacity factor and lower avoided costs than the previously discussed Oregon wind farm, even though Order No. 16-307 and PacifiCorp's prior arguments and data sets did not advocate for a Wyoming wind farm. *See PacifiCorp's Compliance Filing*, Docket No. UM 1729 (Aug. 22, 2016). Those rates are

currently in effect, and it appears they will remain in effect unless and until the Commission orders a revision in this proceeding.

On August 26, 2016, the Commission reassigned this proceeding to the newly created docket UM 1794, and CREA orally petitioned to intervene as a party shortly thereafter at the prehearing conference. On September 8, 2016, ALJ Arlow issued the prehearing conference memorandum, which, *inter alia*, memorialized the rulings granting CREA's petition to intervene as a party with full contested case rights and approved the schedule proposed by the parties.

On September 9, 2016, CREA served its first set of data requests to PacifiCorp. Data requests 1.1 through 1.7 sought much of the information regarding the RFPs that had been withheld during the non-contested case in UM 1729 and internal documents supporting PacifiCorp's ultimate course of action in the RFP. Additionally, data requests 1.8 and 1.9 sought information regarding the assumptions and support for use of a Wyoming wind farm as the proxy resource, as exists in the currently effective avoided cost rates. Data requests 1.10 and 1.11 requested information and documents related to PacifiCorp's need for renewable resources, including inconsistent statements made to the legislature and documents produced in the renewable implementation plan docket. The data requests and PacifiCorp's responses are provided as Attachment 1 to this submission.

PacifiCorp and CREA engaged in a telephone call during the week of September 19, 2016, due to PacifiCorp's indication that it intended to object to some of the data requests. Counsel for CREA offered to walk through individual requests with counsel for PacifiCorp if clarification was necessary or if PacifiCorp believed that producing all of the requested material would be too burdensome. However, counsel for CREA indicated that it was not willing to agree

to wait until after PacifiCorp filed its opening testimony to obtain the information requested because CREA needs to begin developing its own position as to PacifiCorp's avoided costs at this time. PacifiCorp never asked for clarification or any limitation on any individual data requests. Instead, PacifiCorp provided a long list of objections at the close of business on the due date for the responses, September 23, 2016. *See* Attachment 1.

Subsequently, counsel for CREA attempted to better understand PacifiCorp's position via electronic mail messages, and again offered to meet and confer with regard to the scope or meaning of any of the individual data requests. However, counsel for PacifiCorp essentially confirmed that PacifiCorp does not believe that it must accept or process any discovery requests until after the filing of PacifiCorp's opening testimony on October 14, 2016. The electronic mail messages between the parties are provided as Attachment 2 to this submission.

Because the parties are unable to resolve this discovery dispute and a motion to compel would further delay access to the avoided cost information, CREA now seeks informal resolution by ALJ Arlow.

III. ARGUMENT

As noted above, this proceeding is now a formal contested case proceeding to set the avoided costs, and the procedural order therefore states the Commission will "use procedures set forth in ORS 756.518 through 756.610 and OAR Chapter 860, Division 001." *See Prehearing Conference Memorandum*, at Attachment (Sept. 8, 2016). The ruling further provides:

"You have the right to respond to *all issues identified* and present evidence and witnesses on those issues. See OAR 860-001-0450 through OAR 860-001-0490. *You may obtain discovery from other parties through depositions, subpoenas, and data requests.* See ORS 756.538 and 756.543; OAR 860-001-0500 through 860-001-0540."

Id. (emphasis added). There is no statement in the procedural order or the referenced rules or statutes placing any restrictions on when discovery may commence.

Under the applicable rules, “[i]t is not ground for objection that the information sought will be inadmissible at the trial if the information sought appears reasonably calculated to lead to discovery of admissible evidence.” ORCP 36(B); *see also* OAR 860-001-0540(1) (stating any party may submit data requests to any other party, subject to the discovery rules in the ORCP). In fact, the Commission expects parties to err “on the side of producing too much information . . . rather than too little.” *In re Portland General Electric Co.*, Order No. 09-046 at 8 (Feb. 5, 2009).

With regard to the dispute at hand, the information and material requested by CREA is subject to discovery at this time because it is directly relevant to PacifiCorp’s avoided costs and obviously likely to lead to discovery of admissible evidence. The purpose of this proceeding is to set PacifiCorp’s avoided costs. The Commission expressly stated this contested case proceeding “shall be opened *to allow a more thorough vetting of the issues raised in this proceeding and possible revision to Schedule 37 avoided cost prices* on a prospective basis.” *See* Order No. 16-307. All of the information requested by CREA relates to issues raised previously in the non-contested case in docket UM 1729 or PacifiCorp’s subsequent compliance filing that emerged from that non-contested case. The information requested regards three main topics: (1) the recent RFP for renewable resources which PacifiCorp itself proposed to form the basis for its avoided costs just a few months ago and much of which was already shared with the Commissioners in an *ex parte* meeting on July 26, 2016 (data requests 1.1 through 1.7); (2) the basis for assuming that a Wyoming wind farm could be the proxy resource as proposed by

PacifiCorp and approved by the OPUC in PacifiCorp's compliance filing avoided costs which are currently in effect and will likely remain in effect unless different rates are adopted in this case (data requests 1.8 and 1.9); and (3) information related to PacifiCorp's renewable resource sufficiency position and inconsistent statements regarding the impacts of Senate Bill 1547 on its physical compliance needs (data requests 1.10 and 1.11). All of this information regards highly relevant topics.

The crux of PacifiCorp's objection is an assertion that CREA has no right to discovery prior to the time that PacifiCorp files its testimony in this docket. But there is no basis for such a restriction in any rule or order applicable to this case. Such a restriction compromises CREA's ability to plan its own case and frustrates CREA's ability to engage in more than a single round of discovery, which is always necessary in order to uncover additional information in follow-up questions. Furthermore, as a party to this proceeding, CREA has a statutory right to conduct discovery, including by written interrogatories of other parties, which right is embodied in the Commission's rules entitling CREA to lodge data requests. *See* ORS 756.538(2) ("any party to the proceeding may take testimony of any person by . . . written interrogatories"); OAR 860-001-0540(1) (data requests are written interrogatories or requests for production of documents).

In fact, immediate discovery is warranted because this proceeding is moving forward on an expedited basis, with CREA's testimony due approximately one month after PacifiCorp's testimony. PacifiCorp filed its original avoided cost update on March 1, 2016, and CREA has not had the opportunity to conduct discovery on PacifiCorp's filings. Given that PacifiCorp frequently objects to data requests and rarely provides complete answers, it is likely that the only way CREA can complete discovery in time to submit its own testimony is if PacifiCorp is

required to promptly and completely respond to all discovery requests, including those at issue in this submission.

Finally, PacifiCorp's position erects procedural obstacles that frustrate qualifying facilities' right to sell their output at PacifiCorp's full avoided costs. Avoided costs are the incremental costs of PacifiCorp's next avoidable generation resources. 18 C.F.R. § 292.101(b)(6). That topic obviously opens the door to a very wide range of potentially relevant information – almost all of which is exclusively within PacifiCorp's possession. Under 18 C.F.R. § 292.302(e)(2) and OAR 860-029-0080(6), PacifiCorp has the burden of coming forward with justification for its proposed avoided costs. However, it is well established that utilities, including PacifiCorp, are reluctant to purchase from independent QF generators and have no incentive to cooperate with such QFs or to pay the full avoided costs for QF output. *See FERC v. Mississippi*, 456 U.S. 742, 750 (1982). It would thwart the intent of federal and state law to allow PacifiCorp to unilaterally limit the scope of a proceeding to set its own avoided costs, as it apparently proposes to do here. Without full and complete discovery, the other parties and the Commission itself will be deprived of the ability to meaningfully vet PacifiCorp's avoided costs. Therefore, PacifiCorp must immediately produce the requested information in order to allow parties other than PacifiCorp to develop their own position on PacifiCorp's avoided costs.

IV. CONCLUSION

CREA requests that the ALJ direct PacifiCorp to provide complete responses to CREA's first set of data requests in an expedited timeframe within three days of the ALJ's resolution of this dispute.

RESPECTFULLY SUBMITTED this 4th day of October, 2016.

RICHARDSON ADAMS, PLLC

/s/ Gregory M. Adams

Gregory M. Adams (OSB No. 101779)
Of Attorneys for the Community Renewable
Energy Association

Attachment 1

PacifiCorp's Responses to CREA's First Set of Data Requests



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

September 23, 2016

Gregory M. Adams
Richardson & O'Leary PLLC
515 N. 27th Street
P.O. Box 7218
Boise, Idaho 83702
greg@richardsonandoleary.com

RE: OR Docket No. UM-1794
CREA 1st Set Data Request (1-12)

Please find enclosed PacifiCorp's Responses to CREA's 1st Set Data Requests 1.1-1.12.

If you have any questions, please call me at 503-813-6583.

Sincerely,

A handwritten signature in black ink that reads "Natasha Siores" followed by a stylized flourish.

Natasha Siores
Pacific Power Regulation

CREA Data Request 1.1

Reference PacifiCorp's June 21, 2016 Supplemental Application in UM 1729 at page 4, asserting: "Preliminary review of the lowest cost bids for wind projects located in the Pacific Northwest submitted into the 2016 resource RFP have a capacity-weighted average capital cost of \$1,810/kW and a capacity weighted average capacity factor of 34.9%".

Please provide all of the referenced bids, and all work papers used by PacifiCorp to develop the weighted average costs and capacity factors (with bids identified by number instead of bidder names if necessary for confidentiality concerns).

Response to CREA Data Request 1.1

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding. In addition, the Company considers the information requested to be commercially sensitive and highly confidential.

CREA Data Request 1.2

Reference PacifiCorp's June 21, 2016 Supplemental Application in UM 1729 at page 4, asserting: "Preliminary review of the lowest cost bids for wind projects located in the Pacific Northwest submitted into the 2016 resource RFP have a capacity-weighted average capital cost of \$1,810/kW and a capacity weighted average capacity factor of 34.9%".

Please provide the following information regarding the referenced bids (with bids identified by number instead of bidder names if necessary for confidentiality concerns.)

- (a) The number of bids included in PacifiCorp's sample of "lowest cost bids".
- (b) The number of bids for a physical wind resource in the RFP total.
- (c) For each bid in the sample of "lowest cost bids" provide:
 - i. Nameplate capacity;
 - ii. Capacity Factor;
 - iii. Interconnecting Utility;
 - iv. Wheeling utility(ies) between point of interconnection and PacifiCorp's system;
 - v. Whether the full output of the plant can be designated as a network resource by PacifiCorp Transmission without any network upgrades;
 - vi. Whether PacifiCorp would use third-party transmission to move the output from the point of delivery on PacifiCorp's system to PacifiCorp loads, and if yes, the amount and type of such third-party transmission; and
 - vii. Whether the bid is a utility-ownership or a PPA structure.

Response to CREA Data Request 1.2

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding. In addition, the Company considers the information requested to be commercially sensitive and highly confidential.

CREA Data Request 1.3

Reference PacifiCorp's June 21, 2016 Supplemental Application in UM 1729 at page 4, asserting: "Preliminary review of the lowest cost bids for wind projects located in the Pacific Northwest submitted into the 2016 resource RFP have a capacity-weighted average capital cost of \$1,810/kW and a capacity weighted average capacity factor of 34.9%".

Have the capacity factors of each of the bids included in PacifiCorp's sample of the "lowest cost bids" been approved by "a qualified and independent third-party technical expert to review the expected wind capacity factor associated with each project," as required for any short-list bid in an RFP under Order No. 13-204? If yes, please provide the reports generated by the independent expert for each project (with bids identified by number instead of bidder names if necessary for confidentiality concerns).

Response to CREA Data Request 1.3

The Company objects to this request as seeking information outside the scope of this proceeding and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding.

CREA Data Request 1.4

Reference PacifiCorp's June 21, 2016 Supplemental Application in UM 1729 at page 4, discussing preliminary bids into PacifiCorp's 2016 RFP for renewable resources. Please provide a complete list of the final short list of bids, and explain in detail any changes to, or withdrawal of, any of those bids made by bidders after development of the final short list.

Response to CREA Data Request 1.4

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding. In addition, the Company considers the information requested to be commercially sensitive and highly confidential.

CREA Data Request 1.5

Reference PacifiCorp's June 21, 2016 Supplemental Application in UM 1729 at page 4, discussing preliminary bids into PacifiCorp's 2016 RFP for renewable resources. Please provide a complete list of the finally selected bids for REC purchases, including:

- (i) location (county and state) and resource type of the underlying physical resource generating the RECs;
- (ii) commercial online date of the physical resource generating the RECs;
- (iii) utility purchasing the electric energy from the facility;
- (iv) QF or non-QF;
- (v) vintage of RECs purchased;
- (vi) final price of RECs (\$/MWh); and
- (vii) initial bid price at the time of development of final short list (\$/MWh).

Response to CREA Data Request 1.5

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding.

CREA Data Request 1.6

Please provide the date that PacifiCorp management finally approved the procurement decision in the 2016 RFP for renewable resources and please provide all documents provided to executive officers or members of the Board of Directors as part of the approval process. If any such documents are alleged to contain privileged information, please provide a complete privilege log that includes the date, the contents of the withheld information or document, and the individuals that were party to the privileged communications or documents.

Response to CREA Data Request 1.6

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, the Company has not yet made its initial filing in this proceeding. The Company further objects to this request as requesting information protected by the attorney-client privilege or attorney work product doctrine.

UM 1794 / PacifiCorp
September 23, 2016
CREA Data Request 1.7

CREA Data Request 1.7

Please provide the assumed cost of BPA long-term firm point-to-point transmission and ancillary services utilized for the life of the resource supporting bids that require BPA transmission for purposes of evaluation of bids submitted into PacifiCorp's 2016 RFP for renewable resources. Please provide work papers calculating the cost assumption and an explanation for all inputs into the cost, including source of current rate and escalation rates for future BPA transmission rate cases.

Response to CREA Data Request 1.7

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding.

UM 1794 / PacifiCorp
September 23, 2016
CREA Data Request 1.8

CREA Data Request 1.8

Please explain why the Company did not accept bids from physical resources located in Wyoming in the PacifiCorp's 2016 RFP.

Response to CREA Data Request 1.8

The Company objects to this request as seeking information outside the scope of this proceeding, and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding. In addition, the Company considers the information requested to be commercially sensitive and highly confidential.

UM 1794 / PacifiCorp
September 23, 2016
CREA Data Request 1.9

CREA Data Request 1.9

Reference PacifiCorp's UM 1729 compliance filing made on August 22, 2016, containing a Wyoming wind farm with a 43% capacity factor and no incremental transmission costs as the next avoidable renewable resource. Please provide all studies and documents in PacifiCorp's possession that PacifiCorp relies upon for the assumption that it will be able to acquire wind energy from a new facility located in Wyoming without incurring any incremental transmission costs.

Response to CREA Data Request 1.9

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence. The Company has not yet made its initial filing in this proceeding.

CREA Data Request 1.10

Reference Testimony of Scott Bolton to the House Energy and Environment Committee, 78th Oregon Legislative Assembly 2016 Regular Session, Scott Bolton presentation at 2 (Feb. 2, 2016) (SB 1547 was originally HB 4036), stating the Oregon renewable portfolio standard revisions “incentivizes early action through its REC banking provision, which allows utilities and customers to benefit from recently extended federal tax credits. HB 4036 enables at least 225 MW of additional low-cost renewable procurement over the near-term”.

- (a) If SB 1547 enables near-term renewable procurement, why has PacifiCorp subsequently argued in UM 1729 that it will not acquire renewable resources until 2028 (or even 2038)?
- (b) Does Mr. Bolton agree that his statement to the legislature was false? If not, please explain how his statement is consistent with PacifiCorp’s subsequent position taking before the OPUC that SB 1547 does not require acquisition of renewable resources in the near term.

Response to CREA Data Request 1.10

The Company objects to this request as seeking information outside the scope of this proceeding and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding.

UM 1794 / PacifiCorp
September 23, 2016
CREA Data Request 1.11

CREA Data Request 1.11

Please provide complete copies, including any information subject to any applicable protective orders, of all filings and discovery responses made by PacifiCorp in ongoing docket UM 1790, the 2017-2021 RPIP docket. This is an ongoing request throughout this proceeding.

Response to CREA Data Request 1.11

The Company objects to this request as seeking information outside the scope of this proceeding, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, the Company has not yet made its initial filing in this proceeding.

UM 1794 / PacifiCorp
September 23, 2016
CREA Data Request 1.12

CREA Data Request 1.12

Please provide copies of PacifiCorp's responses to the data requests of all other parties in this proceeding. Please note this is an ongoing request.

Response to CREA Data Request 1.12

CREA will be provided copies of PacifiCorp's responses to the data requests of all other parties in this docket.

Attachment 2

Correspondence Between CREA and PacifiCorp

From: [Greg Adams](#)
To: [Apperson, Erin](#)
Subject: RE: OR UM 1794 PacifiCorp's Responses to CREA Set 1 (1-12)
Date: Thursday, September 29, 2016 2:20:45 PM

Erin,

Given that PacifiCorp is objecting to the entire data set and producing no information or responsive material to any of the requests, and has asked for no clarification or limitation with regard to any of the individual requests, it appears to me that further discussion will be unproductive.

For obvious reasons, all of the requested information is likely to lead to discovery of admissible evidence that would be relevant to PacifiCorp's avoided costs, which is the issue in this proceeding. The information requested regards the recent RFP for renewable resources which PacifiCorp itself proposed to form the basis for its avoided costs just a few months ago, ref. data requests 1.1-1.7; the basis for assuming that a Wyoming wind farm could be the proxy resource as proposed by PacifiCorp (and approved by the PUC) in its compliance filing avoided costs which are currently in effect during this proceeding; ref. request 1.8-1.9; and information related to PacifiCorp's renewable resource sufficiency position and inconsistent statements regarding the impacts of SB 1547 on its physical compliance needs, request 1.10-1.11.

As I explained during our phone call, CREA needs to obtain the information requested in order to evaluate the available information potentially relevant to PacifiCorp's avoided costs over the next 20 plus years, which is the issue in this proceeding. This is a contested case proceeding, and CREA, as a party to the contested case proceeding, has a procedural right to obtain discovery of any matter or information within PacifiCorp's possession that is likely to lead to the discovery of admissible evidence. There is no basis in the PUC's procedural rules for PacifiCorp to limit the substantive scope of discovery to the matters PacifiCorp chooses to address in its yet-to-be-filed testimony, and nor is there any basis to limit the temporal scope of discovery to the time during which PacifiCorp files its testimony. Doing so limits CREA's ability to evaluate the facts, and identify its potential witnesses to address those facts.

CREA intends to seek resolution from the ALJ or the PUC by the end of this week. If PacifiCorp changes its mind, please let me know.

Greg Adams
Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho
Voice: 208.938.2236
Facsimile: 208.938.7904

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the same either electronic or printed. Thank you.

From: Apperson, Erin [mailto:Erin.Apperson@pacificcorp.com]
Sent: Thursday, September 29, 2016 12:13 PM
To: Greg Adams
Subject: RE: OR UM 1794 PacifiCorp's Responses to CREA Set 1 (1-12)

Greg,

Consistent with our discussion on September 19, PacifiCorp has objected to CREA's first data request set in UM 1794 as requesting information outside the scope of this proceeding, among other objections. CREA's questions focus primarily on PacifiCorp's June 21 filing in UM 1729, which was not a contested case proceeding. To the extent that you would like to hold a call to discuss the particular questions, please let me know.

Erin Apperson
Attorney, Pacific Power
PacifiCorp
825 NE Multnomah St., Suite 1800
Portland, OR 97232
|503-813-6642 office |503-964-3542 cell
Erin.Apperson@pacificcorp.com

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From: Greg Adams [mailto:Greg@richardsonadams.com]
Sent: Wednesday, September 28, 2016 12:35 PM
To: Apperson, Erin
Subject: [INTERNET] FW: OR UM 1794 PacifiCorp's Responses to CREA Set 1 (1-12)

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Erin,

I am a little confused by these responses. Based on our call earlier last week, I was expecting a call to go through the different items to see if we could reach agreement on what would be provided or withheld. It appears that PacifiCorp is now taking the position that it will provide no discovery prior

to the time that it files its testimony.

It would be helpful if you could clarify the Company's position so CREA can decide how to move forward from here.

Please consider this an attempt to meet and confer to resolve this discovery dispute.

Greg Adams
Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho
Voice: 208.938.2236
Facsimile: 208.938.7904

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From: McNay, Kaley [<mailto:Kaley.McNay@pacificorp.com>]
Sent: Friday, September 23, 2016 5:05 PM
To: Greg Adams
Cc: Watkins, Betsy; Hansen, Tarie; C&T Discovery; Siores, Natasha; Apperson, Erin; Angell, Jennifer; Haney, Lauren; Stanfill, Dagmar
Subject: OR UM 1794 PacifiCorp's Responses to CREA Set 1 (1-12)

Attached above are PacifiCorp's Responses to CREA Set 1 (1-12). Please let me know if you have any trouble opening the attached file.

Thank you.

Kaley McNay
PacifiCorp
Senior Regulatory Operations Coordinator
Direct: 503-813-6257