

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

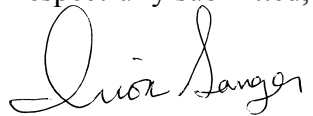
**UM 1934**

In the Matter of	)	
	)	
PORTLAND GENERAL ELECTRIC	)	NORTHWEST AND
COMPANY,	)	INTERMOUNTAIN POWER
	)	PRODUCERS COALITION
	)	UPDATED STATUS MATRIX
2018 Request for Proposals for	)	
<u>Renewable Resources.</u>	)	

The Northwest and Intermountain Power Producers Coalition (“NIPPC”) files the attached Updated Status Matrix in response to PGE’s May 8 filing and in an effort to add clarity to the remaining issues before the Public Utility Commission of Oregon in this proceeding. NIPPC attempted to accurately summarize all of the parties’ positions and provided copies of this Updated Status Matrix to Renewable Northwest, Association of Western Energy Consumers and the Community Renewable Energy Association who agree that it accurately reflects their positions.

Dated this 11th day of May 2018.

Respectfully submitted,



Irion Sanger  
Sanger Law, PC  
1117 SE 53rd Avenue  
Portland, OR 97215  
Telephone: 503-756-7533  
Fax: 503-334-2235  
irion@sanger-law.com

Of Attorneys for the Northwest and Intermountain  
Power Producers Coalition

Topic Area	Staff's Issue No.	Staff's Issue Name	Outstanding Issue Explanation	PGE's Current Position	Opposing Parties' Position	Parties in Agreement (with PGE's position)	Parties in Disagreement (with PGE's position)	Addressed at Meeting	OPUC Options
Transmission and Deliverability	1	Benchmark Bid Transmission	Whether PPA bids should be required to have the same transmission requirements as the Benchmark Bid	PGE claims that the Benchmark Bid will have the same requirements as all other bidders, and, for example, will not rely upon PGE's existing transmission rights	This does not address the contractual constraints on BPA's system, including that only a few entities may have transmission rights	Staff, IE	NIPPC, RNW, CREA	Yes	Simply accept PGE's claim or direct PGE to ensure the Benchmark Bid conforms with all PPA bidder requirements
	2	Firm Transmission Overtly Restrictive	Whether appropriate to require 20 years of firm transmission service rather than conditional or short-term firm options	PGE claims firm transmission is necessary for reliability and costs associated with curtailment	Conditional firm transmission has been curtailed only 5 hours in the last 10 years; requiring long-term firm limits the bidding pool drastically by requiring a scarce resource	IE	NIPPC, RNW	Yes	Accept PGE's position or direct PGE not to require firm transmission
	4	Transmission Acquisition Process	Whether appropriate to require acquisition of transmission rights rather than plan to acquire transmission rights	PGE claims bidders with rights should be given preference over those that still need to acquire them	Because BPA transmission is limited, it makes sense to allow bidders optimum flexibility in establishing their transmission arrangements	Staff, IE	NIPPC, CREA	Yes	Accept PGE's position or direct PGE to allow bidders to provide a reasonable plan to acquire transmission
	5	PGE's Excessive Transmission Rights	1) whether PGE has excessive transmission rights; and 2) whether bidders should be allowed to rely upon them	PGE claims that it has no excess rights	PGE already has enough firm transmission to meet its 1-in-10 reliability requirement (and new renewable resources will provide additional help in meeting that), PGE will have an additional 500 MW when Boardman retires in 2020, and PGE shareholders are holding an additional 675 MW of deferred rights (where PGE is effectively restricting access to BPA transmission); PGE could allow bidders to redirect its existing transmission rights, and should at least make available the portions that have been included in rate base	Staff (agrees that PGE has enough transmission to meet its 1-in-10 requirement, but Staff position otherwise unclear)	NIPPC, RNW, CREA, AWEC	Yes	Accept PGE's position, direct PGE to explain why its deferred rights and/or Boardman rights could not be used, or allow bidders to rely upon PGE's exiting rights and confirm during short list negotiations
	6	15 vs. 60 Minute Scheduling	Whether appropriate to require hourly scheduling	PGE claims that allowing 15 minute scheduling may increase EIM penalties (without providing estimates) despite reduction in actual imbalances due to improved accuracy of scheduling	PGE has not provided any evidence of the potential cost impacts associated with EIM penalties; 15 min scheduling is designed to help minimize imbalances, and therefore the costs of integrating variable resources, and is likely more efficient than 60 min scheduling; bidders will have to price hourly BPA integration charges (which we know to be 60% higher than the 15-min integration charge) and PGE could address cost shifting contractually		NIPPC, RNW, CREA, Staff	Yes	Accept PGE's position or direct PGE to allow 15 minute scheduling
	9	Conditional-Firm Bridge	Whether 2-year "conditional bridge" is appropriate	Yes	2 years will not sufficiently increase the number of bidders able to participate in this RFP; some stakeholders argue conditional firm should be allowed to the entire period (e.g., 20 years) while others believe that PGE should increase the bridge from 2 to 5 years to allow a more realistic timeline for BPA upgrades	Staff	NIPPC, RNW	Yes	Accept PGE's position or direct PGE to allow bidders to use conditional firm as more than a 2 year bridge
	10	Pseudo-Ties	Whether PGE should allow PPA bidders to assume dynamic scheduling or embed 20 years of BPA balancing services in their bid price	PGE believes requiring all bidders to embed BPA balancing services is the only way to fairly assess bids, despite competitive advantage this provides utility-owned options (that can switch to PGE balancing)	It is undisputed that PGE's ability to pseudo-tie utility-owned resources provides an unfair advantage; because PGE allows dynamic scheduling for its own resources (thanks to Port Westward) it should treat balancing costs as a pass-through like it does other fuel costs	Staff	NIPPC, CREA, RNW	Yes	Accept PGE's position or direct PGE to allow bidders to rely upon dynamic scheduling
	14	South of Alliston Constraint	Whether BPA's constraint means PGE's long term firm transmission requirement is onerous	No	Yes, PGE minimizes the bidding pool ten-fold by requiring deliveries at the BPA interface via long term firm.		NIPPC, RNW	Yes	Accept PGE's position or direct PGE to allow bidders to offer more creative transmission options
	16	Montana Wind	Whether OPUC directive from Order No. 18-044 (to "discuss aspects of RFP design and scoring that impact the treatment of Montana wind resources") has been satisfied	None expressed	PGE did not sufficiently explore how RFP design and scoring impact the treatment of Montana wind resources.		NIPPC, RNW	No	Accept PGE's position or direct PGE to address Montana wind

Topic Area	Staff's Issue No.	Staff's Issue Name	Outstanding Issue Explanation	PGE's Current Position	Opposing Parties' Position	Parties in Agreement (with PGE's position)	Parties in Disagreement (with PGE's position)	Addressed at Meeting	OPUC Options
Contracting	7	Specified Energy	Whether PGE's Specified Energy provisions are appropriate	PGE claims it should be allowed to include its preferred contract terms and see if anyone is willing to accept them	PGE should remove penalties for underproduction and allow the specified amount cap apply to the entire year rather than 24 periods; PGE' argument that bidders can redline the PPA does not justify inclusion of an unfair penalty structure, particularly in light of non-price score penalties for redlining		NIPPC, RNW, Staff, IE	Yes	Accept PGE's position or direct PGE to remove Specified Energy penalties
	8	Redlines Diminish Score	Whether it is appropriate to diminish score for PPA redlines	Yes	PPAs should not be penalized for requesting PGE remove unreasonable provisions (like Specified Energy)		NIPPC, RNW, Staff	Yes	Accept PGE's position or direct PGE to move adjustments to short list and/or to price points
	12	Escalation Rate	Whether PGE should publish its BPA escalation costs to allow apples to apples comparison between PPA bids and PGE's Benchmark Bid	PGE agreed to publish its escalation rate, but has not confirmed whether it would include the starting costs	PGE should at a minimum publish its starting costs and assumed escalation rate, but simply using those PGE costs (or other PGE designated costs for solar, etc.) when comparing bids is more equitable to bidders		NIPPC	No	Accept PGE's position or direct PGE to publish the Benchmark Bid's BPA escalation rate
	15	NPVRR Duration / Generic Fill	Whether PGE's method for comparing shorter-term PPAs is appropriate: 1) whether "generic fill" value artificially inflates bid price; and 2) whether changing duration to NPVRR similarly manipulates bid price	1) No; and 2) No	1) PGE is able to artificially inflate bid prices using its Generic fill concept 2) PGE is also able to affect bid prices with NPVRR calculation	Staff	NIPPC, AWEC	No	Accept PGE's position or direct PGE to provide additional review and transparency of its generic fill and NPVRR scoring
	18	PPA PTC Requirement	Whether PGE's requirement that PPA bidders provide a tax opinion is appropriate	Yes	No. The PTC savings are baked in the PPA price, so there is no risk of loss to PGE		NIPPC	No	Accept PGE's position or direct PGE to remove the tax opinion for PPA bidders
	19	COD Extended	Whether PGE's commercial operation date (COD) should be extended 1) whether PGE's "preferred" date appropriately affects scoring; and 2) whether 2023 COD should be allowed to capture full ITC benefits	1) Yes; and 2) PGE claims this would raise execution risk	1) In an all-source RFP there is no reason to limit COD to PTC phase out 2) At a minimum, PGE's COD should be extended to 2023 to reflect ITC eligibility	Staff	NIPPC, AWEC	Yes	Accept PGE's position or direct PGE to remove its "preferred" COD date and/or extend its COD
	20	Prohibiting Capital Additions	Whether PGE's prohibition on capital improvements is appropriate for PPA bidders	Yes	No. If PGE wants to limit the amount of capacity it will purchase it should do so directly rather than unreasonable constrain business decisions of IPPs		NIPPC	No	Accept PGE's position or direct PGE to remove the prohibition on future capital additions
	21	Damages Cap	Whether \$500,000 damages cap is reasonable in light of PacifiCorp's \$130 million judgment	Yes	No. PGE should not be allowed to limit damages below the \$130 million amount recovered after PacifiCorp's RFP-related litigation		NIPPC	No	Accept PGE's position or direct PGE to either remove or increase its damages cap to \$130 million
Other RFP Design	3	QF Participation	Whether appropriate to require any successful PPA bidder to waive the facilities' future PURPA rights during the term of the PPA	PGE declined to address this provision or provide any basis for requiring future restrictions limited only to future PURPA sales	If any restrictions are necessary, they should apply to any future PURPA and/or non-PURPA contracts equally; future contracts should be at prices and terms no better than the RFP PPA price		NIPPC, RNW, CREA	No	Accept PGE's position or direct PGE to remove future limitations specific to PURPA rights
	11	60/40 Price v. Non-Price Split	Whether additional sensitivities appropriately manage lack of transparency and subjective weighting of non-price points	Yes	No. Because the PacifiCorp RFP relied upon an 80/20 split, the OPUC should similarly cap the amount of non-price scoring available to PGE	Staff, IE	NIPPC	No	Accept PGE's position or direct PGE to provide additional review and transparency of its non-price scoring
	13	Interconnection Study Agreements	Whether PGE's short-list requirement to complete the interconnection process (i.e. having a completed Facilities Study Agreement) is appropriate	Yes	No. The interconnection process is not fully under bidders' control and PGE should not penalize bidders for reasonable delays	Staff, IE	NIPPC, AWEC	No	Accept PGE's position or direct PGE to allow bids to advance to the short list without a completed Facilities Study Agreement
	17	Permitting as Threshold Obligation	Whether changing PGE's permitting requirement to a non-price factor is appropriate	Yes	No. The IE recommended PGE's permitting requirement be changed from a threshold obligation, but did not suggest it become a non-price factor; the IE cautioned the 60/40 split could influence short list eligibility	Staff, IE	NIPPC	No	Accept PGE's position or direct PGE to move the permitting requirement to the short list rather than a threshold obligation (or a non-price score)