

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 600/UM 1776

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| In the Matter of |) | |
| |) | |
| Rulemaking Regarding Allowances for |) | COMMENTS ON THE SCOPE OF THIS |
| Diverse Ownership of Renewable Energy |) | PROCEEDING FROM THE |
| Resources |) | RENEWABLE ENERGY COALITION |
| |) | AND COMMUNITY RENEWABLE |
| In the Matter of Public Utility Commission of |) | ENERGY ASSOCIATION |
| Oregon |) | |
| |) | |
| Investigation of Competitive Bidding |) | |
| <u>Guidelines Related to Senate Bill 1547</u> |) | |

I. INTRODUCTION

The Renewable Energy Coalition (the “Coalition”) and Community Renewable Energy Association (“CREA”) submit these comments recommending that the Oregon Public Utility Commission (the “Commission” or “OPUC”) take immediate action to protect Oregon’s competitive markets and to allow for diversity of ownership before the utilities purchase their next round of renewable generation resources. Historically the utilities’ anti-competitive actions have undermined more than just Oregon’s competitive markets, and negatively affect qualifying facilities (“QFs”) selling under the Public Utility Regulatory Policies Act (“PURPA”) as well. The Commission must act swiftly to change this trend.

The Coalition and CREA strongly support the recommendations filed by Northwest and Intermountain Power Producers Coalition (“NIPPC”) and urge the Commission to set the scope of this proceeding so that it can make meaningful changes to

its competitive bidding process. The Coalition and CREA have also reviewed the previously filed informal comments of Renewable Northwest (“RNW”), the Northwest Energy Coalition (“NVEC”), and the Industrial Customers of Northwest Utilities (“ICNU”) and generally support their recommendations in these proceedings as well. RNW, NVEC and ICNU have not submitted formal comments yet on Staff’s proposed scope of the proceeding, and, if they recommend that additional issues be addressed, then the Coalition and CREA may support those recommendations.

II. COMMENTS

1. The Coalition and CREA Support Wholesale Competition and Diversity of Generation Ownership

The Coalition was established in 2009 and is comprised of over 30 members that are both large and small QFs operating approximately 50 projects throughout the region. The Coalition’s members are irrigation districts, water districts, corporations, small utilities, and even individuals. The Coalition’s goal is to support QFs in all aspects, including those that require technical and regulatory expertise. Much of the Coalition’s focus is on regulatory activism at the state level in the implementation of renewable energy, competition, the Public Utility Regulatory Policies Act (“PURPA”), and power purchase and interconnection rules and policies. While most of the Coalition’s members do not regularly participate in utility requests for proposals, it is important for both its members and ratepayers to maintain other non-PURPA options to sell power to the utilities and to foster the creation of healthy wholesale competitive markets.

CREA was established in 2007 and is an ORS 190 intergovernmental association. CREA’s members include counties, irrigation districts, councils of government, for-profit

business, and non-profit organizations. CREA’s goal is to promote the development of small-scale (20 megawatt and under) renewable energy projects in Oregon. To that end, CREA educates policy-makers and interested communities on increasing renewable energy development. CREA primarily works with local communities, counties, state and federal agencies, Congress, the Commission, and the Oregon Legislature to advocate for improved policies that support development of more community renewable energy in Oregon. CREA also provides technical expertise to developers, landowners, and counties where projects are under construction.

2. The Commission Should Adopt a Scope that Allows for Consideration of Discrete, but Significant Changes Before the Next Round of Commission-Approved Requests for Proposals

Historically the Commission has supported free wholesale market competition, and should do so again when setting the scope of this proceeding. At least in the workshops and informal comments, the utilities took the position no action is needed, and sought to narrow the scope to preclude the considering of many important changes. The Commission must set a scope broad enough to take meaningful action to allow diversity of generation ownership, or nearly all of Oregon’s energy generation will continue to be owned by the investor owned utilities. Given that neither Portland General Electric’s (“PGE’s”) nor PacifiCorp’s integrated resource plan (“IRP”) have been acknowledged, there is sufficient time to proactively improve the Commission’s competitive bidding requirements before the utilities issue any new requests for proposals.

The Coalition and CREA support Staff’s suggestions on scope because the four issues raised by Staff get to the heart of the utilities’ anti-competitive track history. Staff recommends the Commission address: 1) the RFP development process; 2) how utilities

compare PPA bids of unequal duration; 3) transparency and access to documentation and communications between RFP parties; and 4) the applicability of the Commission's competitive bidding process. The Coalition and CREA would like to thank Staff for their impressive work at the workshops and throughout this proceeding.

The Coalition and CREA also support NIPPC's suggestions on scope, because NIPPC has identified two discrete issues that are near and dear to QFs. NIPPC recommends that the Commission also: 1) define diversity of ownership, as required by SB 1547; and 2) consider requiring due diligence financial review of proposed utility-owned projects. These two issues are crucial in countering the historic trend of nearly 100% utility-owned generation. Finally, the Coalition and CREA continue to support the overall positions of RNW, NVEC and ICNU, and notes that their participation in this proceeding has helped flesh out important issues and identify common ground between the utilities and other interested parties. The Coalition and CREA will review other parties' comments regarding the scope of the proceeding, and will make its final recommendation at the public meeting.

III. CONCLUSION

For the reasons explained above, the Coalition urges the Commission to adopt a scope for this proceeding that allows for meaningful changes to the competitive bidding process prior to the utilities next requests for proposals.

Dated this 12th day of May 2017.

Respectfully submitted,

A handwritten signature in black ink that reads "Sidney Villanueva". The signature is written in a cursive style with a large initial 'S'.

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