



Portland General Electric Company
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Douglas C. Tingey
Associate General Counsel

September 11, 2013

Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission
Attention Filing Center:
PO Box 1088
Salem, OR 97308-1088

**RE: UM 1535 - SUPPLEMENTAL RESPONSE OF PORTLAND GENERAL
ELECTRIC COMPANY**

Attention Filing Center:

Enclosed for filing in the above-captioned docket are an original and three copies of Portland General Electric Company's Supplemental Response to Grays Harbor's Request for an Investigation.

This letter and the enclosed filing are being filed by electronic mail with the Filing Center and provided by electronic mail to all the parties on the UM 1535 service list.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "DCT", is written over a faint, larger version of the signature.

Douglas C. Tingey
Associate General Counsel

DCT: qal
Enclosures
cc: UM 1535 Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1535

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Request for Proposals for Capacity & Baseload
Energy Resources

**SUPPLEMENTAL RESPONSE OF
PORTLAND GENERAL
ELECTRIC COMPANY**

Portland General Electric Company (“PGE”) submits these reply comments in response to allegations made by Calpine and TEC (“Parties”) on August 29th, 2013 in UM 1535 (“Filings”). For the most part, both Calpine and TEC repeat the allegations made earlier in DR 46 and UM 1535, and PGE has fully addressed all of those in its earlier responses. In this filing, PGE addresses a new allegation¹ made by Calpine, regarding ABENGOA, and demonstrates that ABENGOA met all of the requirements set forth in the RFP.

ABENGOA’s experience and creditworthiness. Calpine voiced concerns over ABENGOA’s capabilities and credit worthiness. Calpine admits its concerns are speculative given that there is “no public information about a parental guarantee, a letter of credit and/or cash.” *Supplemental Comments of Calpine Corporation* at 3, OPUC Docket No. DR 46,

¹ TEC also for the first time asserts that the “Commission...should take a hard look at the Independent Evaluator’s conduct, which enabled PGE to arrive at a predetermined outcome in the same way it apparently enabled Black Hills to arrive at a predetermined outcome.” Although the proceedings in Colorado are irrelevant to the integrity and professionalism the IE has exhibited here, it is noteworthy that in the same report TEC uses in support of its claim of malfeasance by ACCION, the Colorado PUC Staff endorsed ACCION’s work when it commented “that the bidding process implemented by the Company and overseen by the IE afforded all interested bidders a fair and non-discriminatory opportunity to bid. Further, Staff does not take exception to the calculated Present Value of Revenue Requirement (PVRR) for each of the bids for 30 MW or less wind generation. While Staff agrees that the Black Hills IPP non-regulated affiliate bid (BHIPP) is projected to provide the least PVRR, Staff determined that the bid identified as Bidder A, 25 year PPA (A-PPA), provides the highest overall customer value.” *Staff Comments* at 1, Colorado PUC Docket No. 13A-0407E, attached as Exhibit C to *Troutdale Energy Center’s Comments* in UM 1535 (Aug. 29, 2013). The dispute in Colorado has no relevance here.

submitted in Docket No. UM 1535 (Aug. 29, 2013). Abener Engineering and Construction Services, LLC, a subsidiary of ABENGOA, was the successful bidder in PGE's baseload energy RFP. ABENGOA provided a parental guarantee for Abener. ABENGOA and Abener are collectively referred to as ABENGOA herein.

ABENGOA met all the threshold qualification requirements set out in the RFP. ABENGOA, founded in 1941, has a worldwide energy development footprint, with over 26,000 employees, and more than \$4 billion of US energy generation projects developed as an EPC contractor. In addition, ABENGOA's bid was supported by Sargent and Lundy and Mitsubishi Power Systems Americas, Inc. Sargent and Lundy, a world leader in the field of engineering, is providing the design and engineering work for the Carty project. MPSA, the North American subsidiary of Mitsubishi Heavy Industries, a leading equipment manufacturer for power generation technologies that are widely deployed, is the supplier of the power island equipment for the project. Given ABENGOA's worldwide construction experience and the assembled team of ABENGOA, Sargent and Lundy, and MPSA, the submitted bid met the requirement for an experienced contractor. Further reducing the construction risk, PGE provided detailed technical specifications to bidders, to which ABENGOA submitted a bid with minimal exceptions.

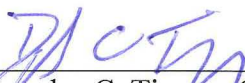
In addition, ABENGOA met all of the credit requirements set forth in the RFP. In Appendix R of the RFP, and at the urging of stakeholders, PGE set forth detailed threshold credit requirements for a qualified bid. ABENGOA met the threshold for bid submittal. PGE executed a contract with ABENGOA that contains enhanced credit protections for PGE and its customers.

The recent allegations regarding ABENGOA are unfounded, as are the other unsupported suspicions of unsuccessful bidders. The Commission should deny the request for investigation.

DATED this 11th day of September, 2013.


Respectfully submitted,

PORTLAND GENERAL ELECTRIC



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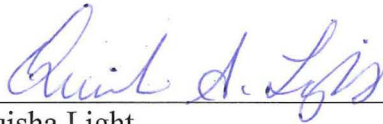


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CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **PORTLAND GENERAL ELECTRIC COMPANY'S SUPPLEMENTAL RESPONSE** to be served by electronic mail and by First Class U.S. Mail, postage prepaid and properly addressed, to those parties on the attached service list for OPUC Docket UM 1535.

Dated at Portland, Oregon, this 19th day of September, 2013.



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**SERVICE LIST 09/10/13
OPUC DOCKET # UM 1535**

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