## BEFORE THE PUBLIC UTILITY COMMISSION

### **OF OREGON**

## **UM 1794**

In the Matter of PACIFICORP, dba PACIFIC )	COMMUNITY RENEWABLE ENERGY
POWER,	ASSOCIATION AND RENEWABLE
)	ENERGY COALITION'S REPLY TO
Investigation into Schedule 37 - Avoided Cost )	PACIFICORP'S RESPONSE TO
Purchases from Qualifying Facilities of 10,000)	MOTION FOR CLARIFICATION OF
kW or Less	SCOPE OF PROCEEDING
)	

## I. INTRODUCTION AND SUMMARY

The Community Renewable Energy Association ("CREA") and the Renewable Energy Coalition (the "Coalition") (collectively the "Joint QF Parties") file this reply to PacifiCorp's response ("Response") to the Joint QF Parties' request that Administrative Law Judge ("ALJ") Allan Arlow clarify the scope of this proceeding. PacifiCorp's Response mischaracterizes the Public Utility Commission of Oregon's ("Commission") process for avoided cost rate updates as well as its specific direction with respect to this proceeding. The Response highlights wildly divergent views between parties on the scope of this proceeding, which underscores the need for clarification before moving forward with the development of additional testimony. Yet, PacifiCorp urges ALJ Arlow to deny the Joint QF Parties' Motion for Clarification and not to delay the proceeding, which unduly prejudices the parties by requiring them to prepare testimony without knowing what issues are appropriate to address.

## II. BACKGROUND

As the Response itself details, PacifiCorp's avoided cost filing is anything but consistent

with a "well-established" Commission process.<sup>1</sup> To begin with, although PacifiCorp was intensely involved in the drafting and passing of SB 1547, the Company filed updated avoided cost prices just one week before the bill passed and did not take into account any increase in renewable portfolio standards or decrease in non-renewable generation. PacifiCorp's March 1 filing was made 29 days early<sup>2</sup> with deficiency demarcation dates of 20-never for the next major renewable resources and 2028 for the next major non-renewable resource.

The Commission declined to approve that filing and directed parties to update the Company's avoided cost prices in light of SB 1547. After the parties were unable to reach an agreement, the Company unilaterally filed a supplemental avoided cost filing on June 21, 2016. PacifiCorp's June 21 filing changed its deficiency demarcation date for renewable resources to 2018. The parties supported the 2018 renewable resource deficiency date, but objected to other aspects of the new filing and pointed out that, despite raising issues with PacifiCorp's inputs and assumptions throughout its 2015 IRP process, parties had not been given the opportunity to vet PacifiCorp's claims. At the public meeting, without notice to the parties, PacifiCorp abandoned its agreement to 2018 renewable deficiency demarcation date, and proposed a later deficiency date because it claimed such a date was supported because its recent renewable resource request for proposal ("2016 Renewable RFP") did not result in any new resource acquisitions. In addition, PacifiCorp supported the underlying rates themselves based on the results of its 2016 Renewable RFP.

-

PacifiCorp Response at 1 ("Consistent with its well-established process for allowing The Commission acknowledged PacifiCorp's 2015 IRP on February 29, 2016. PacifiCorp is required to file an avoided cost update within 30 days, but chose to file its avoided cost update the very next day, on March 1, 2016.

As such, the Commission declined to approve PacifiCorp's supplemental filing, chose demarcation dates of 2028 for both PacifiCorp's renewable and non-renewable resources, and directed PacifiCorp to file updated avoided costs. Simultaneously, the Commission directed that a contested case proceeding be opened to allow parties to vet the issues raised by the Joint QF Parties in UM 1729 and allow for possible revisions to PacifiCorp's avoided cost prices based on the Joint QF Parties recommendations.

PacifiCorp's data responses indicated that the Company did not intend to let parties actually vet its avoided cost filing. PacifiCorp's Response maintains that the two discovery rulings, which the Joint QF Parties have requested certification of, affirm that the scope of this proceeding includes the inputs and assumptions used in the acknowledged 2015 IRP, its most recent RFPs, and (at least generally speaking) its current renewable portfolio implementation plan materials. This direction was neither made clear by Order No. 16-307 nor by ALJ Arlow. Thus, clarification is merited.

### III. ARGUMENT

PacifiCorp's Response misrepresents the Commission's direction regarding the scope of this proceeding in a transparent effort to preclude meaningful review of its avoided cost rate filing. The Commission has never maintained that PacifiCorp should be permitted to unilaterally set its avoided cost rates. Yet, by ignoring the Joint QF Parties' arguments throughout its IRP, and refusing to provide relevant discovery materials in this proceeding, PacifiCorp has effectively been permitted to do so.

Although PacifiCorp's Response claims that the Joint QF Parties can vet its avoided cost prices, it simultaneously argues that contemporaneous information regarding its avoided cost

COMMUNITY RENEWABLE ENERGY ASSOCIATION AND RENEWABLE ENERGY COALITION'S RESPONSE TO PACIFICORP'S REPLY TO MOTION FOR CLARIFICATION OF SCOPE OF PROCEEDING

UM 1794

rates is irrelevant and that even running even one additional IRP model run is "fundamentally inconsistent with the expedited nature of this case." The Joint QF Parties neither seek to collaterally attack the discovery rulings, which have been challenged separately, nor undermine the expeditious nature of this proceeding. Instead, the Joint QF Parties merely intend to ascertain PacifiCorp's actual sufficiency/deficiency demarcation dates and verify that the inputs and assumptions are reasonably reflective of the Company's avoided costs.

## 1. PacifiCorp Distorts the Commission's Policy, Procedures, and Specific Direction

The IRP process *could* determine sufficiency issues, but PacifiCorp's current sufficiency dates were selected by the Commission—without the benefit of any vetting from the parties.

That is why the Commission opened this proceeding. Yet, the Response suggests that the avoided cost update is always "an expeditious process with a limited scope to determine whether the prices conform to the Commission's methodologies" and claims that Order No. 16-174 "specifically rejected proposals from the Joint QFs that called for additional process to litigate the IRP's inputs and assumptions outside of the IRP process." This portrayal of Order No. 16-174 is either misguided or disingenuous. By stating "[t]he Commission affirmed that those issues would be vetted in the IRP", the Response unabashedly mischaracterizes the Commission's direction and the scope of this proceeding. The Commission has never instructed the Joint QF Parties to raise their concerns (again) in PacifiCorp's next IRP, which is not a contested case proceeding and will not set avoided cost rates for more than a year. The Commission has directed the parties to vet the issues in this contested case proceeding, right

\_

Id. at 10.

<sup>&</sup>lt;sup>4</sup> Id. at 7-8.

<sup>&</sup>lt;sup>5</sup> Id. at 8.

now.

PacifiCorp severely misrepresents the Commission's IRP Process, by stating that its data has already been fully vetted. The Response claims "the IRP's inputs and assumptions are vetted in the IRP process and the updated avoided costs are developed using the fully vetted inputs and assumptions from the most recently acknowledged IRP." This is not correct. In fact, the Commission's IRP Process does *not* fully vet the data inputs and assumptions. Instead, PacifiCorp is free to select any inputs and assumptions it likes, parties can review them and submit comments, and then PacifiCorp is free to select any inputs and assumptions it likes again. Parties cannot submit evidence and the Commission does not resolve any disputed factual issues. That is not full vetting.

The only way inputs and assumptions are fully vetted is if someone challenges them, which the Commission has repeatedly encouraged parties to do, and those issues are brought before the Commission for a decision in a contested case. The Commission encourages parties to raise concerns with the inputs and assumptions used within an IRP process, because absent this type of challenge, PacifiCorp would be free to unilaterally set its avoided cost rates by proposing and using any data it chooses in its IRP.

PacifiCorp seems to confuse the various dockets that have addressed the Commission's IRP process. For example, in UM 1610, the Joint QF Parties argued that the IRP process should include the opportunity to simultaneously vet sufficiency demarcation determinations, either within the IRP process or in a contemporaneous proceeding.<sup>7</sup> The Commission opted to

\_

<sup>6 &</sup>lt;u>Id.</u> at 7.

<sup>&</sup>lt;sup>7</sup> Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. U 1610,

maintain its existing sequential process rejecting both PacifiCorp's and the Joint QF Parties' recommendations to change that process, and the Response then completely redefines the "long-established regulatory processes" as being the exact opposite of reality.

The Response conveniently fails to acknowledge that process begins with the acknowledged IRP and then allows the opportunity to vet the inputs and assumptions. In UM 1610, Staff opposed the Joint QF Parties proposal to expand the IRP process to allow QFs to litigate inputs and assumptions in the IRP, and also opposed the utilities' proposals to "essentially eliminate any process to determine avoided cost prices outside the traditional IRP." Staff emphasized that the IRP was "collaborative" and opposed "litigation of inputs" in the IRP itself 9

Staff's testimony and legal briefs explained the Commission's long-established process, which is entirely consistent with the Joint QF Parties' position in this case. Staff explained that the IRP is important and that "the utility's acknowledged IRP is the best *starting point* for determining" avoided cost rates, "the Commission has previously determined that stakeholders

REC's Post-hearing Brief at 4 (Oct. 13, 2015) ("Staff fundamentally agrees with the Coalition and [CREA] that parties should be allowed to challenge inputs and assumptions from the IRP, but recommends that the review should occur after IRP acknowledgment"); Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. U 1610, Oregon Department of Energy Post-hearing Brief at 4 (Oct. 13, 2015) (proposing a contested case proceeding to vet preliminary avoided costs filing be held contemporaneously with the uncontested IRP process).

Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610, Order No. 16-174 at 12 (May 13, 2016).

<sup>&</sup>lt;sup>9</sup> Id. at 12-13.

As the Commission did not adopt the Joint QF Parties' recommendation to litigate inputs and assumptions *in* the IRP in UM 1610, Joint QF Parties are now seeking to be able to litigate the inputs and assumptions *after* the IRP, as is the Commission's policy.

have a process outside of the IRP to challenge inputs into avoided cost prices."<sup>11</sup> Citing long-standing Commission precedent and administrative rules, Staff explained that "[a]voided cost filings are subject to suspension and the same investigatory process that any tariff filing may undergo"<sup>12</sup> and that the Commission had repeatedly stated that "we encouraged parties to seek suspension of an avoided cost filing when necessary to address concerns about natural gas forecasts or any other aspect of a utility's filing."<sup>13</sup>

The Commission agreed with Staff and specifically explained:

We agree with Staff that there is value in the sequential nature of reviewing avoided costs after acknowledgment of a utility's IRP and, therefore, decline any proposals to institute concurrent or simultaneous process. We also are conscious of the need to minimize the administrative burden on all parties<sup>14</sup>

Order No. 16-174 makes clear that sequential review necessarily includes two steps; that is, first acknowledgment in an IRP, and then review.

Yet, the Response suggests that Order 16-174 affirmed that review would be limited to the IRP process. PacifiCorp re-writes the Commission's order stating:

This is the exact, long standing process that the Commission recently examined and affirmed, concluding that "there is value in the sequential nature of reviewing avoided costs after acknowledgment of a utility's IRP" and that challenging the IRP's inputs and assumptions once, in the IRP, "minimize[s] the administrative burden on all parties." 15

By inserting the words "and that challenging the IRP inputs and assumptions once, in the IRP"

COMMUNITY RENEWABLE ENERGY ASSOCIATION AND RENEWABLE ENERGY COALITION'S RESPONSE TO PACIFICORP'S REPLY TO MOTION FOR CLARIFICATION OF SCOPE OF PROCEEDING UM 1794

PAGE 7

Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610, Staff Post-Hearing Brief at 7 (Oct. 13, 2015).

Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610, Staff Pre-hearing Memorandum at 21 (Sept. 2, 2015) citing Order No. 05-584 at 36-37.

<sup>&</sup>lt;sup>13</sup> Id. at 21-22.

Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610, Order No. 16-174 at 14-15 (May 13, 2016).

Parificant Representation of the Contracting and Pricing, Docket No. UM 1610, Order No. 16 174 at 14 15)

PacifiCorp Response at 11-12 (citing Order No. 16-174 at 14-15).

between the two sentences quoted, the Response offers Order No. 16-174 as proof of something that it does not support. Worse yet, what Order No. 16-174 actually states is completely opposite to its portrayal in PacifiCorp's Response.

Thus, PacifiCorp has not accurately portrayed the Commission's "long standing regulatory process" and seeks to characterize that process in a way that precludes meaningful review of its avoided cost prices. <sup>16</sup> In short, PacifiCorp's claim that the Joint QF Parties "attempt to broaden the scope of this proceeding is an improper collateral attack on Order No. 16-174 where the Commission explicitly rejected proposals by the Joint QFs to allow litigation of an IRP's inputs and assumptions outside the IRP process in an avoided cost update" is flat out misleading and wrong.<sup>17</sup>

PacifiCorp also mischaracterizes the Commission's policy for determining a utility's resource sufficiency/deficiency demarcation date. As these dates, more than any other criterion, have the largest impact on the avoided cost prices, clarity on this point is of particular import. The Response states, "[t]he Commission has explained that the IRP is the proper forum for resolving resource sufficiency issues because 'the IRP processes are conducted with extensive public review regarding the timing of the utility's loads and its consequent resource needs."<sup>18</sup>

This quote is taken out of context and does not accurately reflect the Commission's policy. PacifiCorp seems to argue that it gets to determine its resource sufficiency dates and that its sufficiency demarcation date cannot be challenged no matter how unreasonable or inaccurate.

<sup>16</sup> Id. at 7 (citing Order No. 16-176 at 14-15).

<sup>17</sup> Id. at 11.

<sup>18</sup> Id. at 7 (citing Re Investigation into Determining Resource Sufficiency, Pursuant to Order No. 06-538, Docket No. UM 1396, Order No. 10-488 at 8 (Dec. 22, 2010)).

To the contrary, the Commission has determined that the sufficiency date in the acknowledged IRP should merely be the *starting point* in determining a utility's avoided costs. Moreover, that the sufficiency dates can and should be challenged in the utility's subsequent avoided cost update.

The Commission illustrated its actual policy for determining resource sufficiency demarcation dates when it selected a 2028 date for renewable resources rather than the IRP's 20-never date. This fact disproves PacifiCorp's suggestion that it gets to unilaterally determine its demarcation dates or that date in the IRP cannot be challenged. Similarly, at the Commission public meeting in UM 1729 that opened this proceeding, Commissioner Bloom supported a 2024 date for non-renewable resources and Commissioner Savage a 2028 date. Chair Hardie did not opine as to the merits of those dates, but voted in favor of a 2028 date for the currently effective temporary dates because that date is the starting point in last acknowledged IRP. Chair Hardie, however, agreed that parties would be able to challenge that date in this proceeding. Thus, the Commissioners themselves did not believe the 2015 acknowledged IRP's renewable resource 20-never date was accurate and disagreed about the 2028 non-renewable date that resulted in Order No. 16-307. Thus, one of the key issues in this proceeding is determining whether the

OPUC Public Meeting at 1:35:00 (Aug. 16, 2016) ("2028 for renewables, but on the non-renewables, I was thinking 2024 ... keeping the 2024 date").

Id. at 1:38:00 ("I don't know that if there is a real and right and perfect answer before us now, and so, in the absence of total factual clarity, I think the best thing to do is to rely on our established processes and provide some procedural clarity on that basis. If we don't have clarity based on the facts, at least we have some kind of process.").

Id. at 1:40:20 ("we should have an expedited contested process").

Joint QF Parties Request for ALJ Certification at 5 (Nov. 17, 2016) ("I don't believe its 20-never and I don't believe its 2018"); see also Joint QF Parties Motion for Clarification at 6 and n.9 (Nov. 23, 2016).

temporary 2028 dates selected by the Commissioners are accurate.

As PacifiCorp's last avoided cost filing underscores, the sufficiency demarcation dates have become more significant in recent years because PacifiCorp has pushed its dates further and further out into the future. The Response distinguishes between "regularly vet[ting] utilities' post-IRP avoided cost prices" and "re-opening the underlying IRP"<sup>23</sup>, which the Joint QF Parties submit is a direct result of PacifiCorp's recent filings. For example, historically PacifiCorp's sufficiency periods were only three to five years out and were more reasonable. Now that PacifiCorp's sufficiency periods are out 10-20 years and beyond the IRP action plan that is acknowledged, the issue of challenging the sufficiency period has become increasingly important. <sup>25</sup>

In short, PacifiCorp suggests that the Joint QF Parties have already challenged the 2015 IRP inputs and assumptions, presumably by raising various issues in the 2015 IRP process and arguing that the inputs and assumptions led to unreasonable sufficiency demarcation dates. But, as PacifiCorp is well aware, its IRP process is not a contested case proceeding and PacifiCorp can and did simply decline to adopt the Joint QF Parties' recommendations. Therefore, PacifiCorp's IRP inputs and assumptions and the resulting rates have not yet been challenged and brought before the Commission for resolution.

Moreover, both of PacifiCorp's current sufficiency dates are outside the IRP action plan,

23

See id.

PacifiCorp Response at 11.

E.g., Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610, Joint Post-hearing Brief of REC, CREA, Obsidian, and OneEnergy at 6 (Oct. 13, 2015) ("utilities are now extending their resource sufficiency periods to an exaggerated degree ... [and u]nder current circumstances, the QF is receiving forecasted market prices for the vast majority of the QF fixed-price contract term").

which means they are not reviewed by the Commission and do not receive an acknowledgement finding. So, while the Joint QF Parties agree that, ideally, "challenging the IRP's inputs and assumptions once, in the IRP, 'minimize[s] the administrative burden on all the parties" that is not the situation before the parties in this proceeding. In Commission Order 16-307 which precipitated this docket, Staff argued (and the Commission adopted the view) that "while the starting point for avoided cost price inputs is the utility's last acknowledged IRP, the reasonableness of the IRP inputs are subject to challenge during the review of avoided cost prices."26

#### 2. This Motion is Not a Collateral Attack on the Two Discovery Rulings

The Response claims the Joint QF Parties filed this motion as a collateral attack on two recent discovery rulings ("Rulings") and offers support for maintaining those rulings. The Joint OF Parties note that two separate filings have requested certification of those Rulings before the Commission and it is therefore inappropriate for PacifiCorp to address the merits of the discovery disputes here.

That being said, the Joint QF Parties respond to PacifiCorp's arguments by noting that PacifiCorp appears to have conceded its 2016 RFP materials are relevant and were relied upon in UM 1729. The Response carefully states that it did not rely on the RFPs in setting its avoided cost prices, but does not deny using the RFP as a comparison to those numbers. PacifiCorp heavily relied upon the RFP to support its arguments.<sup>27</sup> The Response also falsely states that

<sup>26</sup> Re PacifiCorp, dba Pacific Power, Schedule 37 Avoided Cost Purchases from Eligible Qualifying Facilities, Docket No. UM 1729(1), Order 16-307 at Appendix A, page 8-9 (emphasis added).

CREA-Coalition Joint Request for ALJ Certification at 8-10 (filed Nov. 17, 2016)

CREA has admitted that PacifiCorp did not rely on the RFP.<sup>28</sup> Moreover, the Response expressly concedes that post-IRP information is relevant in this proceeding by proposing that 2015 IRP Update inputs and assumptions replace the 2015 acknowledged IRP inputs and assumptions.<sup>29</sup>

PacifiCorp's position seems to argue that, the RFP information is relevant when it can make unsubstantiated claims in the public meeting regarding its 2016 Renewable RFP in UM 1729, but that it is now irrelevant because other parties want to review the information to determine if this data actually supports the Company's proposed rates. PacifiCorp should not be permitted to bar parties from obtaining relevant evidence, placed at issue by PacifiCorp, because that evidence may not support its position.

Likewise, the Joint QF Parties note that PacifiCorp's Response insinuates (again) that the attorneys for either REC or CREA may be inclined to break their professional ethical responsibilities by sharing PacifiCorp's information with its competitors.<sup>30</sup> This implicit

(quoting from the transcript). PacifiCorp's general counsel directly discussed the uncertainty prior to the 2016 RFP and argued "what we're saying is that what we've learned in the interim is that there's nothing to justify a deviation from the Commission's standard practice of using an acknowledged IRP." Public Meeting at 1:21:15 (Aug. 16, 2016) (statement of Sarah Kamman, Pacific Power's General Counsel).

PacifiCorp Response at 9.

See PacifiCorp Response at 9 ("The Company has never argued, however, that information developed after acknowledgement of its 2015 IRP is categorically beyond the scope of this proceeding. The Company has argued that its avoided cost prices should be established using the more up-to-date IRP Update. Rather, the Company has argued consistently that the RFP results are irrelevant to determining avoided cost prices, regardless of their timing.").

See id. at 10 ("compelling PacifiCorp to disclose confidential bids would have a chilling effect on future RFPs because bidders would not be assured that the confidential bids would remain protected from discovery by potential competitors, such as the members of CREA and REC").

argument is as unfounded as PacifiCorp's express argument that the RFP material is too confidential to share. First, as a reminder, QFs tend to be smaller projects that generally do not compete as bidders in PacifiCorp's RFPs. Next, only attorneys and expert consultants (as opposed to any actual developers) review confidential material, and do so regularly without issue in utility rate and competitive bidding proceedings.<sup>31</sup> Finally, the Response ignores that PacifiCorp has simultaneously attempted to usurp the Commission's established protective order process (here) and willingly complied with it (in other proceedings before the Commission) with respect to the exact same RFP information requested. These assertions are baseless, offensive, and inconsistent with the Commission's established procedures for protecting confidential material.

Focusing on this filing, the Motion for Clarification submits that the Rulings created ambiguity as to the scope of this proceeding, which is different than the relevancy of specific materials requested. But, the rationale provided in the Rulings suggest that several issues raised in UM 1729 may be barred from litigation in this proceeding. For example, the veracity of the data used in PacifiCorp's 2015 IRP and whether its 2016 RFPs should have affected its current avoided cost filing. The Response maintains that "Nothing in Order No. 16-307 suggests that the

Illustrative examples of counsel and/or consultants for independent power produces accessing confidential and highly confidential material in numerous cases over just the last couple years include: Re Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610; Re PGE Petition for Partial Waiver of Competitive Bidding Guidelines and Approval of Request for Proposal Schedule, OPUC Docket No. UM 1773; Re PGE Request for Proposals for Capacity Resources, OPUC Docket No. UM 1535; Re NIPPC Request for Investigation into PacifiCorp's 2016 RFP, OPUC Docket No. UM 1771, AR 598; Re PacifiCorp, dba Pac. Power, Petition for Approval of the 2017 PacifiCorp Inter-Jurisdictional Allocation Protocol, OPUC Docket No. UM 1050; Re Investigation Regarding Competitive Bidding, OPUC Docket No. UM 1182.

Commission intended to depart from its long-standing regulatory process for avoided cost updates and allow parties to re-open the recently acknowledged IRP or to address the results of recent RFPs that did not impact the avoided cost update."<sup>32</sup> The Joint QF Parties agree that most avoided cost updates are not contested, but the Commission's long-standing process allows avoided cost rates to be challenged. That is being done here by selecting a different temporary renewable sufficiency/deficiency demarcation dates at the end of a public meeting and directing an expedited contested-case process be opened to vet the avoided cost prices using the same investigatory process that any tariff filing may undergo.

3. Delays that Permit Clarification will Support the Expedited Nature of this Proceeding By Allowing Parties to Vet the Previously Raised Issues that the Commission Wanted Resolved

As discussed above, as well as in other filings, the Joint QF Parties have been pointing out that PacifiCorp's avoided cost price estimates were inaccurate for almost a year. As such, a minor delay to obtain the opportunity to know whether it is possible to fully vet PacifiCorp's prices is reasonable. The Joint QF Parties have been arguing for years that PacifiCorp's inputs and assumptions in its IRP were inaccurate due to increased environmental regulation, the unreasonableness of relying upon front office transactions, the likelihood of accelerated coal plant closures, and PacifiCorp's' unreasonable cost assumptions in its 2015 IRP. Then subsequent events indicated that the Joint QF Parties were correct. For example, SB 1547 increased PacifiCorp's need for renewable generation and decreased its need for non-renewable generation in Oregon. Moreover, PacifiCorp announced early closure of two major coal plants—337 MW from Naughton 3 in 2018 and 287 MW from Cholla 4 in 2025. But, PacifiCorp wants

32

Id. at 8.

to ignore these facts that call into question its resource sufficiency/deficiency demarcation estimates. Now, that the Commission has expressly directed parties to vet PacifiCorp's avoided cost prices, the ALJ's discovery rulings call into question not only whether the Joint QF Parties can compile an evidentiary record to support their positions, but whether the ALJ believes the

scope of the proceeding permits them to even raise their issues.

More troubling, PacifiCorp's actions in this case attempt to manipulate the expedited nature of this proceeding to avoid meaningful review of its filing and should not be condoned. PacifiCorp appears to be emboldened by an expedited process to drag out the discovery process. As such, the Joint QF Parties would prefer to undergo a slight delay in order to clarify the scope of this proceeding rather than allow another opportunity to challenge PacifiCorp's inputs and assumptions slip away. If the scope of this proceeding does not permit the Joint QF Parties to actually vet PacifiCorp's avoided cost filing, then the Commission will effectively permit PacifiCorp to unilaterally set inaccurate avoided cost rates and abdicate its authority to set just and reasonable avoided costs in violation of state and federal law.

## IV. CONCLUSION

The Joint QF Parties urge ALJ Arlow to carefully scrutinize PacifiCorp's response and, ultimately, to clarify the scope of this proceeding. This investigation must include the continued veracity of assumptions in PacifiCorp's 2015 IRP in light of SB 1547 and other recent events that directly impact the renewable and non-renewable resource deficiency dates, as well as the costs of the avoidable renewable resources.

# RESPECTFULLY SUBMITTED this 5<sup>th</sup> day of December, 2016.

## RICHARDSON ADAMS, PLLC

Greg M. Adams

Gregory M. Adams (OSB No. 101779) Richardson Adams, PLLC

Richardson Adams, PLLC 515 N. 27th Street

Boise, ID 83702

Telephone: 208.938.2236

Fax: 208.938.7904

greg@richardsonadams.com

Of Attorneys for the Community Renewable

**Energy Association** 

Irion A. Sanger

Sidney Villanueva

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 Renewable Energy

Coalition