## BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

## UM 1805

NORTHWEST AND INTERMOUNTAIN POWER PRODUCERS COALITION; COMMUNITY RENEWABLE ENERGY ASSOCIATION and RENEWABLE ENERGY COALITION,

Complainants,

VS.

PORTLAND GENERAL ELECTRIC,

Defendant.

Renewable Northwest's Reply to Portland General Electric's Motion for Summary Judgment

Renewable Northwest respectfully requests that Administrative Law Judge ("ALJ") Allan Arlow of the Oregon Public Utility Commission ("Commission") deny the motion for summary judgment filed by Portland General Electric Company ("PGE") in this proceeding. PGE is not entitled to judgment as a matter of law because its position relies on an erroneous interpretation of the Commission's policy requiring utilities to offer Qualifying Facilities ("QFs") 15 years of fixed prices.

The Commission's policy entitles QFs to 15 years of fixed prices. The Commission adopted its long-standing policy of requiring utilities to offer QFs 15 years of fixed prices in Order 05-584,<sup>1</sup> and it has since upheld that policy.<sup>2</sup> Under PGE's interpretation of the Commission's policy, a QF could only receive 15 years of fixed prices in the unlikely scenario in which the QF could begin delivering power to the utility right after power purchase agreement ("PPA") execution. However, our understanding is that QFs usually, if not always, must execute

<sup>&</sup>lt;sup>1</sup> Docket No. UM 1125, Order No. 05-584 at 20 (May 13, 2005).

<sup>&</sup>lt;sup>2</sup> See Docket No UM 1734, Order No. 16-130 at 5 (Mar. 29, 2016) (Rejecting PacifiCorp's request that to reduce the fixed-price term of QF PPAs from 15 years to three years).

a PPA before they can begin to deliver power under that PPA. In fact, QFs may sign PPAs years before they are able to begin power deliveries.<sup>3</sup> As a result, PGE's interpretation of the Commission's policy requiring 15 years of fixed prices would effectively make accessing those 15 years of fixed prices almost impossible. By starting the 15-year clock at the time of QF PPA execution, PGE's interpretation would effectively reduce the number of years of fixed prices for Oregon QFs to less than the required 15 years.

Renewable Northwest respectfully requests that Hon. Allan Arlow deny PGE's motion for summary judgment. PGE's motion relies on the Company's erroneous interpretation of the Commission's policy regarding fixed prices in QF PPAs. As a result, the Company has failed to demonstrate that it is entitled to judgment as a matter of law.

Respectfully submitted this 15<sup>th</sup> day of May of 2017,

<u>/s/ Silvia Tanner</u> Silvia Tanner Staff Counsel Renewable Northwest

<sup>&</sup>lt;sup>3</sup> Docket No. UM 1610, Order No. 15-130 at 2 (Apr. 16, 2015) (Recognizing a stipulation where parties agreed that three years are a permissible period between PPA execution and the commercial operation of a project); Docket No. UM 1610, Order 14-058 at 7 (Feb. 24, 2014) (Acknowledging that "a QF developer may only have access to financing after a PPA has been signed...").