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V. Denise Saunders
Associate General Counsel

September 19, 2017

Via Electronic Filing

Public Utility Commission of Oregon
Filing Center
201 High St SE, Suite 100
PO Box 1088
Salem OR 97308-1088


Re: **UM 1873 – SSD Marion 6 LLC, Complainant vs. Portland General Electric Company, Defendant**

Attention Filing Center:

Enclosed for filing in Docket UM 1873 is Portland General Electric Company's Answer.

Thank you in advance for your assistance.

Sincerely,


V. Denise Saunders
Associate General Counsel

VDS:jlm

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1873

SSD MARION 6, LLC,

Complainant,

vs.

PORTLAND GENERAL ELECTRIC
COMPANY,

Defendant.

**ANSWER OF PORTLAND GENERAL
ELECTRIC COMPANY**

I. INTRODUCTION

Pursuant to ORS 756.512 and OAR 860-001-0400, defendant Portland General Electric Company (“PGE”) submits the following answer (“Answer”) to the complaint (“Complaint”) filed by SSD Marion 6, LLC (“SSD Marion 6” or “Complainant”). PGE has complied with the Commission’s rules and orders and with PGE’s Schedule 201 in processing Complainant’s request for a power purchase agreement (“PPA”). At the time it filed its Complaint, Complainant had not responded to PGE’s requests for information concerning the its proposed project and had not completed PGE’s Schedule 201 application process; therefore Complainant was not entitled to an executable PPA for its proposed project, nor had it established a legally enforceable obligation.

II. SERVICE

Copies of all pleadings, motions and correspondence should be served on PGE's counsel and representatives at the addresses below:

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III. ANSWER

PGE denies each and every allegation contained in the Complaint except as hereinafter expressly admitted.

Unless otherwise specified, the capitalized term "Paragraph" refers to the numbered paragraphs of the Complaint beginning on page four of the Complaint.

The first three pages of the Complaint contain a narrative introduction and legal argument. PGE does not understand the introduction to contain allegations requiring a response. PGE expects to respond to Complainant's narrative and legal arguments as part of the dispositive motion practice or, if needed, at a hearing in this proceeding. In the event the Commission deems the introduction to contain allegations requiring a response, PGE denies the allegations.

In answer to some of the allegations contained in numbered Paragraphs, PGE has indicated that no response is required because the allegations are legal conclusions or legal arguments. If the Commission deems that responses are required in such instances, then PGE denies the allegations in question.

Some of the numbered Paragraphs in the Complaint allege the exchange of written communications between the parties. In answer to some of these numbered Paragraphs, PGE has admitted the existence of the written communications, filed a copy of the written communications as exhibits, and indicated that the communications speak for themselves. In these instances, PGE denies all of the allegations in the associated numbered Paragraph except to the extent that PGE expressly admits an allegation. The exhibits are true and correct copies of the information exchanged by the parties.

Some of the number Paragraphs in the Complaint characterize the contents of a Commission order or of a FERC order, or a filing made by PGE in a Commission docket. In answer to these numbered Paragraphs, PGE has indicated that the Commission order, FERC order, or PGE filing speaks for itself. In such instances, PGE denies all of the allegations in the associated numbered Paragraph except to the extent PGE expressly admits an allegation.

In response to the numbered Paragraphs of the Complaint, PGE admits, denies, or otherwise responds as follows:

IDENTITY OF THE PARTIES

1. PGE admits the allegations contained in Paragraph 1.
2. PGE admits that Complainant has submitted an Initial Information Request to PGE asserting the facts alleged in Paragraph 2. PGE lacks information or knowledge sufficient to verify or form a belief as to the truth of the allegations contained in Paragraph 2 and therefore denies them.

APPLICABLE STATUTES AND RULES

3. The allegations contained in Paragraph 3 constitute legal conclusions to which no response is required.

4. The allegations contained in Paragraph 4 constitute legal conclusions to which no response is required.

JURISDICTION

5. The allegations contained in Paragraph 5 constitute legal conclusions to which no response is required.

6. The allegations contained in Paragraph 6 constitute legal conclusions to which no response is required.

7. The allegations contained in Paragraph 7 constitute legal conclusions to which no response is required.

FACTUAL BACKGROUND

8. PGE admits that on the date the Complaint was filed (August 7, 2017), Complainant was seeking a Schedule 201 PPA from PGE for a proposed 2 megawatt (“MW”) nameplate solar generation facility to be located in Marion County, Oregon.

9. PGE admits that Complainant has proposed a qualifying facility that will directly interconnect to PGE’s system.

10. PGE lacks information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 10 and therefore denies them.

11. PGE lacks information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 11 and therefore denies them.

12. PGE admits the allegations contained in Paragraph 12.

13. PGE admits the allegations contained in Paragraph 13.

14. PGE denies it had any obligation to inform QFs that it was planning to file a May 1, 2017 price update. PGE is required by Commission Order No. 14-058 to file a May 1 price update each year and all Qualifying Facilities (“QFs”) have access to that order. PGE denies it sought an early effective date; Order No. 14-058 makes it clear that avoided cost prices may be effective *within* 60 days of the May 1 filing.

15. Paragraph 15 does not appear to allege any facts that require a response and PGE therefore denies any allegations contained in Paragraph 15. PGE admits that it did not directly inform Complainant that PGE made its May 1 Update filing.

16. PGE denies the allegations contained in Paragraph 16.

17. Commission Order No. 17-177 issued on May 19, 2017, in Docket No. UM 1728 is publicly available. Order No. 17-177 speaks for itself.

18. PGE admits that after May 1, 2017, it decided to prepare its application and motion for interim relief filed in Docket No. UM 1854. The remainder of the allegations contained in Paragraph 18 characterize PGE’s application and motion for interim relief which are available as part of the public record in Docket No. UM 1854 and which speak for themselves; PGE therefore denies all remaining allegations in Paragraph 18.

19. PGE denies that it had any obligation to inform qualifying facilities in advance that PGE intended to file an application and motion for interim relief in Docket No. UM 1854. PGE admits that it provided no advance notice of that filing to qualifying facilities.

20. PGE denies the allegations contained in Paragraph 20.

21. The allegation contained in Paragraph 21 to the effect that Complainant was “materially prejudiced” is a legal conclusion and therefore requires no response. PGE lacks information or knowledge sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 22 and therefore denies them.

22. PGE denies the allegations in Paragraph 22.

23. PGE lacks information or knowledge sufficient to form a belief as to the truth of the first allegation contained in Paragraph 23 and therefore denies it. PGE admits that it adopted a new Initial Information Request Form prior to July 10, 2017. PGE denies the remaining allegations in Paragraph 23.

24. PGE admits that on July 11, 2017, PGE sent Complainant a letter regarding its Schedule 201 Initial Information Request. A copy of the letter is attached as Exhibit A and it speaks for itself.

25. PGE admits that on July 11, 2017, Complainant sent the same information submitted on July 10, 2017 using the Initial Information Request with an Excel file that included the cell “Schedule 201 Initial Information Request Solar”. PGE denies that Complainant provided complete information and materials required for a standard renewable PPA with PGE.

26. PGE admits that on July 13, 2017 PGE provided Complainant with confirmation of receipt of Complainant’s initial information and that PGE would provide either a draft PPA or a request for any additional or clarifying information by August 1, 2017. PGE admits that August 1, 2017 is 16 business days from July 10, 2017 but notes that PGE did not receive all of Complainant’s materials until July 11, 2017.

27. PGE lacks information sufficient to form a belief as to the truth of the first allegation contained in Paragraph 27 and therefore denies it. PGE denies the second allegation in Paragraph 27.

28. PGE admits the allegations in Paragraph 28.

29. PGE admits that Complainant sent PGE an email stating that on July 31, 2017, it had agreed to all terms of the draft PPA and elected to skip the final draft PPA. PGE denies that PGE's Schedule 201 allows Complainant to elect to skip the final draft PPA.

30. PGE admits the allegations in Paragraph 30.

31. PGE admits the allegations in Paragraph 31.

32. PGE admits that on August 4, 2017, in Docket No. LC 66, PGE filed a response to the Commission Staff's July 28, 2017 report. A copy of PGE's August 4, 2017 response is publicly available on the Commission's electronic docket. The allegations in Paragraph 32 attempt to characterize PGE's response but the document speaks for itself.

33. PGE admits that its August 4, 2017 response in Docket No. LC 66 indicated that the Commission's regular process requires PGE to file updated avoided cost prices within 30 days of Commission acknowledgment of PGE's IRP. PGE admits that its August 4, 2017 response in Docket No. LC 66 indicated that there is a 90-day review period before prices become effective; however, PGE statement about a 90-day review period was in error.

34. PGE's August 4, 2017 response in Docket No. LC 66 speaks for itself.

35. PGE denies that it had any obligation to provide Complainant with notice that PGE intended to make comments in Docket No. LC 66 that Complainant has labeled or characterized as the "August Early Rate Effective Date Request" and PGE therefore denies all allegations in Paragraph 35.

36. PGE denies the allegations in contained in Paragraph 36.

37. The allegation contained in Paragraph 37 to the effect that Complainant was “materially prejudiced” is a legal conclusion and therefore requires no response. PGE lacks information or knowledge sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 37 and therefore denies them.

38. PGE denies the allegations in Paragraph 38.

39. PGE admits that Complainant attached a draft PPA to its August 7, 2017 Complaint that contains the watermark “Draft – Not for Execution” and that appears to have been executed on August 7, 2017 by Complainant’s manager. PGE denies the remaining allegations in Paragraph 39.

40. PGE lacks information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 40 and therefore denies them.

41. PGE denies the allegations in Paragraph 41.

42. The only written correspondence pertaining to Complainant’s request for a PPA that PGE received on August 7, 2017 is the Complaint filed in this proceeding. The Complaint speaks for itself.

LEGAL CLAIMS

COMPLAINANT’S FIRST CLAIM FOR RELIEF

SSD MARION 6 IS ENTITLED TO PGE’S STANDARD CONTRACT WITH CURRENTLY EFFECTIVE SCHEDULE 201 RATES BECAUSE SSD MARION 6 LEGALLY OBLIGATED ITSELF TO SELL THE NET OUTPUT PRIOR TO THE FILING OF THIS COMPLAINT

43. PGE repeats and realleges the responses made to Paragraphs 1 through 42.

44. The allegations contained in Paragraph 44 are legal conclusions and do not require a response.

45. The allegations contained in Paragraph 45 are legal conclusions and do not require a response.

46. The allegations contained in Paragraph 46 are legal conclusions and do not require a response.

47. The allegations contained in Paragraph 47 are legal conclusions and do not require a response.

48. The allegations contained in Paragraph 48 are legal conclusions and do not require a response.

49. The allegations contained in Paragraph 49 are legal conclusions and do not require a response.

50. The allegations contained in Paragraph 50 characterize the Commission's decision in Order No. 16-174. That document speaks for itself. To the extent that the allegations in Paragraph 50 are legal conclusions, they do not require a response.

51. The allegations contained in Paragraph 51 characterize cited FERC decisions and are legal argument. The FERC decisions speak for themselves. To the extent that the allegations in Paragraph 51 are legal arguments, they do not require a response.

52. The allegations contained in Paragraph 52 are legal conclusions or legal arguments and do not require a response.

53. The allegations contained in Paragraph 53 are legal conclusions or legal arguments and do not require a response.

54. The allegations contained in Paragraph 54 are legal conclusions or legal arguments and do not require a response.

55. The allegations contained in Paragraph 55 are legal conclusions or legal arguments and do not require a response.

COMPLAINANT'S SECOND CLAIM FOR RELIEF

SSD MARION 6 IS ENTITLED TO PGE'S STANDARD CONTRACT WITH CURRENTLY EFFECTIVE SCHEDULE 201 RATES BECAUSE SSD MARION 6 LEGALLY OBLIGATED ITSELF TO SELL THE NET OUTPUT PRIOR TO THE FILING OF THIS COMPLAINT, AND PGE VIOLATED THE OPUC'S AND FERC'S POLICIES AND RULES, AND SCHEDULE 201

56. In answer to the allegations contained in Paragraph 56, PGE repeats and realleges the responses made to Paragraphs 1 through 55.

57. The allegations contained in Paragraph 57 characterize the Commission's decision in Order No. 05-584. That document speaks for itself. To the extent that the allegations in Paragraph 57 are legal conclusions, they do not require a response.

58. The allegations contained in Paragraph 58 are legal conclusions or legal arguments and do not require any response.

59. The allegations contained in Paragraph 59 are legal conclusions or legal arguments and do not require a response.

60. The allegations contained in Paragraph 60 constitute legal conclusions or legal arguments to which no response is required. To the extent a response is deemed required, PGE denies that it has violated Schedule 201 and denies that PGE and SSD Marion 6 are in full agreement as to all the terms and conditions of the draft Standard PPA.

61. The allegations contained in Paragraph 61 constitute legal conclusions to which no response is required. To the extent a response is deemed required, PGE denies that it has delayed or obstructed progress towards a final draft or executable contract.

62. The allegations contained in Paragraph 62 constitute legal conclusions to which no response is required.

63. PGE denies the allegations contained in Paragraph 63.

64. PGE admits the allegations contained in Paragraph 64.

65. The allegations contained in Paragraph 65 are legal conclusions or legal arguments and do not require a response.

66. The allegations contained in Paragraph 66 are legal conclusions or legal arguments and do not require a response.

67. The allegations contained in Paragraph 67 are legal conclusions or legal arguments and do not require a response.

68. The allegations contained in Paragraph 68 are legal conclusions or legal arguments and do not require a response.

69. The allegations contained in Paragraph 69 are legal conclusions or legal arguments and do not require a response.

PRAYER FOR RELIEF

70. PGE denies all allegations contained in Paragraph 1 of Complainant's Prayer for Relief and requests that the Commission deny the relief requested in Paragraph 1 of Complainant's Prayer for Relief.

71. PGE denies all allegations contained in Paragraph 2 of Complainant's Prayer for Relief and requests that the Commission deny the relief requested in Paragraph 2 of Complainant's Prayer for Relief.

72. PGE denies all allegations contained in Paragraph 3 of Complainant's Prayer for Relief and requests that the Commission deny the relief requested in Paragraph 3 of Complainant's Prayer for Relief.

73. PGE denies that it has violated any of the statutes or orders listed in Paragraph 4 of Complainant's Prayer for Relief and requests that the Commission deny the relief requested in Paragraph 4 of Complainant's Prayer for Relief.

74. PGE requests that the Commission deny the relief requested in Paragraph 5 of Complainant's Prayer for Relief.

IV. AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

75. The Complaint fails to state a claim upon which relief can be granted.

V. CONCLUSION

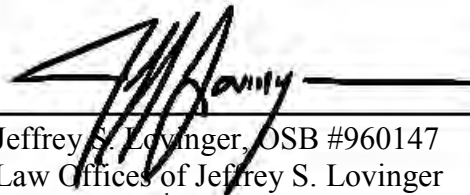
For the foregoing reasons, the Commission should reject the legal claims in the Complaint and deny the relief sought by the Complainant.

Dated this 19th day of September 2017.

Respectfully submitted,



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EXHIBIT A

UM 1873

SSD Marion 6, LLC vs. Portland General Electric Company

Portland General Electric Company's Answer



7/11/17

RE: Schedule 201 Initial Information Request

Mr. Hulett,

Thank you for your email of **7/10/17** indicating your interest in a Standard Power Purchase Agreement (Standard PPA) for your proposed 2 MW Solar qualifying facility to be located in Marion County, Oregon referred to as the SSD Marion 6 project. The process of obtaining a Standard PPA from Portland General Electric (PGE) is governed by PGE Schedule 201, a copy of which is available online at:

<https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/install-solar-wind-more/sell-power-to-pge>

To qualify for a Standard PPA, your generation project must satisfy a number of state and federal requirements. Among other requirements, your project must be certified as a qualifying facility pursuant to 18 CFR 292.207 and it must have a total manufacturer's nameplate capacity of 10,000 kilowatts or less.

First Step—Provide PGE with Information

The first step in the process of obtaining a Standard PPA is for you to provide PGE with the information identified in the enclosed *Schedule 201 Initial Information Request*. You should provide your response in writing. Please do not submit project information by filling in a copy of one of PGE's form contracts. Under the process established by Schedule 201 and approved by the Public Utility Commission of Oregon (OPUC), PGE will generate each draft of the Standard PPA. **You will need to respond to the enclosed *Schedule 201 Initial Information Request* even if you have already provided PGE with some or all of the information required by the form. This will ensure that you are providing responses to the currently effective version of PGE's *Schedule 201 Initial Information Request*, that the steps in the Schedule 201 process are followed in their regular sequence, and that PGE can implement the Schedule 201 process in a consistent manner.**

Within 15 business days of receiving your written response to the enclosed *Schedule 201 Initial Information Request*, PGE will send you either a draft Standard PPA or a request for additional or clarifying information.

PGE will send you a request for more information if you have failed to provide all of the required information or if PGE requires additional or clarifying information to fully understand your proposal. Within 15 business days of receiving your written response to

SSD Marion 6
7/10/17
Page 2 of 3

an additional information request, PGE will send you either a draft PPA or another request for additional or clarifying information. This process will repeat as necessary until PGE has sufficient information to understand your proposal and prepare a draft PPA. Vague, uncertain, inconsistent or incomplete information is likely to lead to additional information requests. The best way to expedite the process of obtaining a draft Standard PPA is to provide PGE with specific, detailed and complete responses to all requests for information in the enclosed *Schedule 201 Initial Information Request*.

The terms and conditions of PGE's Standard PPAs have been reviewed and approved by the OPUC. Most of the language of the Standard PPA is fixed and is not subject to negotiation or change. However, there are a number of *variable terms* that will differ from project to project. These variable terms will fill blank spaces in the standard form contract and will populate the contract exhibits. PGE will use the information you provide to insert variable terms into a draft Standard PPA.

The Rest of the Process—Draft PPA, Final Draft PPA, and Executable PPA

Once you have received your draft Standard PPA you will have several options: you can decide not to pursue an agreement any further; you can propose changes to your project or to the variable terms of the draft Standard PPA; or you can indicate that the draft Standard PPA is acceptable and request that PGE prepare a final draft Standard PPA.

If you propose substantive changes, PGE will treat your proposal as a new request for a draft Standard PPA and, within 15 business days of receiving your written proposal to change project details or the variable terms of the draft contract, PGE will send you either a new draft Standard PPA or request additional or clarifying information as necessary to fully understand your proposal.

If you ask PGE to prepare a final draft Standard PPA without substantive changes to the project proposal or variable terms, then, within 15 business days of receiving your written request, PGE will send you either a final draft Standard PPA or a request for any additional or clarifying information needed by PGE to prepare a final draft Standard PPA.

Once you have received a final draft Standard PPA, you will need to request in writing an executable Standard PPA. Within 15 business days of receiving your written request for an executable contract, PGE will send you either an executable Standard PPA, a new draft Standard PPA (if you have requested substantive changes as part of your request for an executable Standard PPA), or a request for additional or clarifying information if PGE determines that more information is needed to prepare an executable or new draft Standard PPA.

Once you receive an executable Standard PPA, you can execute it without alteration and establish a legally enforceable obligation. Pursuant to PGE's Schedule 201 at Sheet No. 201-3 and OPUC Order No. 16-174 at 3, the power purchase prices you are entitled to receive under your Standard PPA for the first 15 years of the contract term will be based

SSD Marion 6
7/10/17
Page 3 of 3

on PGE's Standard Avoided Costs or Renewable Avoided Costs in effect at the time that you execute an executable Standard PPA provided to you by PGE.

This letter summarizes the Standard PPA process; it does not address every detail of the process. Additional details will be provided in letters associated with each stage of the process. Please contact me if you have any questions.

Sincerely,

Ryin Khandoker | Structuring and Origination
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enclosure: *Schedule 201 Initial Information Request*