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May 2, 2018

VIA ELECTRONIC FILING

Attention: Filing Center Public Utility Commission of Oregon 201 High Street SE, Suite 100 P.O. Box 1088 Salem, Oregon 97308-1088

Re: Docket UM 1940: In the Matter of the Complaint of Northwest and Intermountain Power Producers Coalition, Renewable Energy Coalition, and Community Renewable Energy Association, Complainants, Against Portland General Electric Company, Defendant

Attention Filing Center:

Attached for filing in the above-captioned docket is an electronic copy of Portland General Electric Company's Response to Complainants' Request for Injunctive Relief.

Please contact this office with any questions.

Sincerely,

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Alisha Till Legal Assistant

Attachment

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1940

Northwest and Intermountain Power Producers Coalition, Renewable Energy Coalition, and Community Renewable Energy Association,

Complainants,

v.

Portland General Electric Company,

Defendant.

PORTLAND GENERAL ELECTRIC COMPANY'S RESPONSE TO COMPLAINANTS' REQUEST FOR INJUNCTIVE RELIEF

I. INTRODUCTION

1 On April 12, 2018, Portland General Electric Company (PGE or Company) made an 2 uncontroversial errata filing to conform certain definitions in Schedule 201 with the relevant 3 Public Utility Commission of Oregon (Commission) order. Since filing the errata, PGE has 4 continued to contract with qualifying facilities (QFs) as normal, while working with QFs in 5 the contracting process to update their Power Purchase Agreements (PPAs) to align with the 6 corrections reflected in the errata. Even though the contracting process has not been 7 affected—and despite agreeing that PGE should correct the mistakes in Schedule 201—the 8 Northwest and Intermountain Power Producers Coalition (NIPPC), Renewable Energy 9 Coalition (Coalition), and Community Renewable Energy Association (CREA) ambushed 10 PGE with the instant Complaint, which was filed without any prior effort to communicate 11 their concerns and reach an amicable resolution.

1 The Complaint levels serious charges against PGE—alleging that PGE is using the 2 errata filing to delay the QF contracting process and is refusing to execute standard PPAs, in 3 violation of the Public Utility Regulatory Policies Act (PURPA) and Commission precedent. 4 Complainants ask the Commission to act immediately to prevent PGE from filing its May 1 5 update to avoided cost prices or to prohibit the updated prices from taking effect. They also 6 request that the Commission require PGE to execute PPAs containing the "current" Schedule 7 201 prices and terms with all QFs that should receive them. Complainants insist that 8 injunctive relief is necessary, suggesting that PGE's errata filing is part of a nefarious plan to 9 obstruct QFs from executing PPAs until new avoided cost prices take effect after the May 1 10 update.

Complainants' pleading is rife with inaccuracies, baseless suppositions, and 11 12 unsupported accusations. Notably, Complainants have not provided any evidence to support 13 their allegations that PGE either has delayed or refused to sign any PPA as a result of the 14 errata filing. And their inflammatory allegations that PGE is using the errata filing as a 15 "weapon" or a "tool" to delay contracting are completely unfounded and are contradicted by 16 the facts.¹ The reality is that *PGE's errata filing has not prevented the Company from* 17 *meeting all contracting timelines*, and PGE has fulfilled all of its PURPA obligations. The 18 Company continues to execute standard PPAs-including 17 in the week before the 19 Complaint was filed—and has met all deadlines. And PGE will continue to adhere to its 20 established processes as its May 1 update is reviewed.

Moreover, Complainants' suggestion that PGE is not currently offering and executing
 Schedule 201 PPAs with the terms and conditions approved by the Commission is also

¹ *Nw. and Intermountain Power Producers Coal., et al. v. Portland Gen. Elec. Co.*, Docket No. UM 1940, Complaint at 6, 9 (Apr. 23, 2018).

unfounded. Rather than *changing* Schedule 201, as Complainants allege, PGE's errata filing *corrected* Schedule 201 to bring the deficiency period definitions into compliance with the
Commission's order and with the deficiency periods used to calculate the avoided cost prices.
The errata has no effect on the prices contained in any executed or draft PPA. This is a
correction that is appropriately effective immediately and does not require Commission
approval.

7 Finally, even assuming that PGE either has or will delay processing QF requests for 8 PPAs—a claim that the Company adamantly denies—Complainants' proposed delay of the 9 May 1 avoided cost update is not the proper remedy. First, Complainants' request is 10 premature because no QF has been harmed to date. In the unlikely event that a dispute does 11 arise about the prices and terms to which a specific QF is entitled, the dispute should be 12 addressed after the relevant facts have been developed and the harm—if any—is known. 13 Second, Complainants' proposed injunctive relief is not warranted because they have failed 14 to establish that any harm that might occur would be irreparable. If the Commission later 15 determines PGE erred in contracting with a specific QF, the Commission may remedy the error retroactively by ordering the Company to offer the QF the prices, terms, and conditions 16 17 to which the Commission finds the QF is entitled. On the other hand, prohibiting PGE from 18 filing updated avoided cost prices, as Complainants request, would cause significant and 19 irreparable harm to PGE's customers by requiring PGE to keep inaccurate, outdated prices in 20 place and to offer these prices to QFs who are not entitled to receive them—thereby costing 21 customers millions of dollars.

For all of these reasons, PGE respectfully requests that the Commission decline to award injunctive relief and dismiss the Complaint. Because the Complaint appears to be primarily a request for immediate injunctive relief, PGE responds only to that request in this
pleading. PGE reserves the right to file an Answer responding more fully to any
allegations that remain in the Complaint after the request for injunctive relief has been
resolved.

II. BACKGROUND

5 PGE made the errata filing at issue in this case to correct an error in the Company's Schedule 201, which was updated after acknowledgment of its most recent integrated 6 7 resource plan (IRP). Shortly after the Commission partially acknowledged the Company's 8 2016 IRP,² PGE filed new avoided cost prices, incorporating updated inputs and assumptions 9 from the IRP.³ Because the Commission had not resolved the Company's resource 10 deficiency demarcations in the IRP acknowledgment process, PGE updated Schedule 201 to include dates the Company believed were consistent with the Commission's 11 12 acknowledgment decisions—a non-renewable resource deficiency period beginning in 2025 and a renewable resource deficiency period beginning in 2029.⁴ 13

However, at the Public Meeting considering PGE's update filing, the Commission determined that PGE should use a 2021 non-renewable deficiency period and a 2025 renewable deficiency period and ordered PGE to revise Schedule 201 accordingly.⁵ PGE complied and filed a revised avoided cost update, which included prices calculated based on a 2021 non-renewable deficiency period and 2025 renewable deficiency period.⁶ However, in doing so, the Company inadvertently failed to update the Schedule 201 definitions of the resource sufficiency and deficiency periods consistent with the 2021 and 2025 dates ordered

² In the Matter of Portland General Electric Company, 2016 Integrated Resource Plan, Docket No. LC 66, Order No. 17-386 (Oct. 9, 2017) (memorializing decision made at August 8, 2017 Public Meeting).

³ In the Matter of Portland General Electric Company Application to Update Schedule 201 Qualifying Facility Information, Docket No. UM 1728, Compliance Filing (Aug. 18, 2017). Shortly thereafter, PGE revised Attachment A to the updated filing to correct a single sentence. This change was minor and unrelated to the present Complaint. Docket No. UM 1728, Errata to 8/18/17 Compliance Filing (Aug. 25, 2017). ⁴ See 8/18/17 Compliance Filing, Sheet No. 201-22.

⁵ See Docket No. UM 1728, Order No. 17-347 at 1 (Sept. 14, 2017) (memorializing decision made at September 12, 2017 Public Meeting).

⁶ Docket No. UM 1728, PGE Revised Application to Update Schedule 201 (Sept. 14, 2017).

by the Commission.⁷ In other words, while the avoided cost prices were based on the correct resource deficiency demarcations, the definition section reflected inaccurate dates. Staff reviewed PGE's filing and determined that it substantively complied with the Commission's direction,⁸ and the revised filing became effective.⁹

5 PGE's QF contracting group later discovered the error in the resource deficiency 6 period definitions. Because the error did not impact the actual prices shown in the schedule, 7 PGE initially believed that the error could be corrected during PGE's next avoided cost 8 update. However, after PGE's legal department learned of the error in April 2018, the 9 Company decided that it should be corrected promptly.

10 Therefore, on April 12, 2018, PGE filed an errata to the September 2017 compliance 11 filing, which explained that PGE inadvertently did not modify the deficiency period definitions to reflect the deficiency dates ordered by the Commission, and showed the 12 corrected deficiency and sufficiency dates in redline.¹⁰ Given that the errata brought 13 14 Schedule 201 into compliance with a Commission order, PGE did not seek Commission approval and instead began to implement the corrected version right away. Importantly, no 15 party in Docket No. UM 1728 has objected to the errata or suggested that it is inconsistent 16 with the relevant Commission order,¹¹ and Complainants do not allege that the correction in 17 the errata filing is inaccurate.¹² 18

PGE's contracting processes have not been affected by the errata filing, except that PGE is now working with QFs to incorporate the corrected version into PPAs. As of April 12, when it made the errata filing, PGE had 17 partially executed PPAs—for projects proposed by two developers—which had been signed by the developers and were awaiting PGE's signature.¹³ On April 16, PGE notified these developers by email about the errata

⁷ See PGE Revised Application to Update Schedule 201 at Sheet No. 201-22.

⁸ Docket No. UM 1728, Letter from Staff to PGE (Sept. 18, 2017).

⁹ Order No. 17-347 at 1 ("PGE's revised Schedule 201 is approved effective September 18, 2017.").

¹⁰ Docket No. UM 1728, PGE's Second Errata to Compliance Filing of 9/14/17 (Apr. 12, 2018).

¹¹ See generally Docket No. UM 1728.

¹² See generally Complaint.

¹³ Declaration of Ryin Khandoker at ¶ 3.

1 filing and offered to either substitute the corrected page of Schedule 201 into the partially 2 executed PPAs and countersign, or to send new executable PPAs with the correction included.¹⁴ PGE assured the developers that the correction would not affect the prices 3 applicable to their projects.¹⁵ On April 18, both developers agreed that PGE should 4 substitute the corrected page and countersign without delay.¹⁶ Therefore, PGE corrected and 5 executed all 17 of these PPAs on April 19 and returned the fully executed PPAs to the QFs in 6 the morning on April 23.¹⁷ PGE also has issued one additional executable PPA that has not 7 yet been signed and returned to PGE.¹⁸ The Company has notified this developer about the 8 9 errata filing and requested permission to provide a revised executable PPA but has not yet received a response.¹⁹ In addition to the 17 PPAs executed recently, PGE also had executed 10 11 five PPAs prior to the April 12 errata filing, which contain the incorrect deficiency date definitions.²⁰ These QFs have been notified about the errata filing, and PGE plans to work 12 13 with them to amend the PPAs to include the correction.²¹

PGE has not deviated from its established Schedule 201 contracting timelines and practices as a result of the April 12 errata filing.²² For those QFs in the contracting queue that have not yet been provided executable PPAs, PGE has notified the QF about the errata filing in the course of normal correspondence, and PGE has updated all draft PPAs provided since April 12 to include the corrected definitions.²³

¹⁴ Declaration of Ryin Khandoker at ¶ 3, Ex. A at 3, Ex. B at 5.

¹⁵ Declaration of Ryin Khandoker at \P 3, Ex. A at 3 ("Again I want to emphasize there were no price changes as a result of this correction.") & Ex. B at 5 ("I do want to emphasize there were no price changes as a result of this correction.").

¹⁶ Declaration of Ryin Khandoker at ¶ 4, Ex. A at 1, Ex. B at 2.

¹⁷ Declaration of Ryin Khandoker at \P 4.

¹⁸ Declaration of Ryin Khandoker at \P 5.

¹⁹ Declaration of Ryin Khandoker at ¶ 5.

²⁰ Declaration of Ryin Khandoker at \P 6.

²¹ Declaration of Ryin Khandoker at ¶ 6.

²² Declaration of Ryin Khandoker at ¶ 8.

²³ Declaration of Ryin Khandoker at ¶ 7, Ex. C.

III. LEGAL STANDARD

An injunction will be granted "only on clear and convincing proof of irreparable harm when there is no adequate legal remedy."²⁴ When seeking such an "extraordinary remedy," the complainant has the burden to clearly establish the essential allegations and must show that the conduct to be enjoined is "probable or threatened."²⁵ "An injunction may not be granted merely to allay the fears and apprehensions of an individual."²⁶

IV. DISCUSSION

6 Complainants' request for injunctive relief must be denied, because Complainants 7 have not—and cannot—demonstrate any actual or potential harm to QFs as a result of PGE's 8 errata filing. The filing has not affected PGE's standard contracting process at all, and PGE 9 properly is entering contracts that implement the deficiency dates ordered by the 10 Commission. Even if Complainants' allegations of delay had merit—which they do not—the 11 Commission could easily provide an appropriate remedy after the fact to make the QF whole, 12 and there is no threat of irreparable harm in this case.

13

A. PGE's errata filing has not affected its QF contracting processes.

14 Contrary to Complainants' assertions, PGE has not secretly or unilaterally decided to 15 halt QF contracting or stopped executing PPAs.²⁷ Instead, PGE's contracting processes 16 continue unabated, consistent with the timelines set forth in Schedule 201. On April 19, for 17 example, PGE executed 17 standard PPAs, and PGE returned the fully executed PPAs to the 18 developers on the morning of April 23—the day the Complaint was filed.²⁸ PGE has 19 likewise continued contracting as normal with all other QFs in the queue.²⁹ Thus,

²⁴ Howe v. Greenleaf, 260 Or App 692, 712 (2014) (internal quotation marks and citation omitted).

²⁵ See id.; Pac. Tel. Co. v. Salem, 49 Or 110, 112 (1907).

²⁶ Howe v. Greenleaf, 260 Or App at 712 (internal quotation marks and citations omitted).

²⁷ Complaint at 1, 6-7, 10.

²⁸ Declaration of Ryin Khandoker at ¶ 4; Complaint at 19.

²⁹ See, e.g., Declaration of Ryin Khandoker at ¶¶ 7-8, Ex. C (transmitting a corrected draft PPA to QF on April 18); *In the Matter of Portland Gen. Elec. Co. Application to Lower the Standard Price and Standard Contract Eligibility Cap for Solar Qualifying Facilities*, Docket No. UM 1854, Attachment A April Report (Apr. 30, 2018) (showing PGE's ongoing contracting activity with solar QFs).

Complainants' repeated claims that PGE has impeded, delayed, or stopped QF contracting
 are patently false. PGE continues to execute PPAs containing the prices and terms that were
 approved by the Commission in September 2017.

4 Nevertheless, Complainants suggest that PGE is refusing to contract with QFs until it obtains approval of new Schedule 201 rates.³⁰ This is untrue, and Complainants' statements 5 fundamentally mischaracterize PGE's communications with QFs regarding the errata filing. 6 7 PGE did not tell QFs that it would only execute their PPAs after the May 1 avoided cost update took effect, as Complainants appear to assert.³¹ Rather, as explained in Mr. 8 9 Khandoker's declaration, PGE offered those QFs with partially executed PPAs the choice of 10 either allowing PGE to substitute the corrected page into the partially executed contract or receiving a new executable PPA with the corrected definitions to sign and return.³² PGE also 11 made clear that these QFs had incurred legally enforceable obligations³³ and that the 12 13 correction would not affect the QFs' receipt of the avoided cost prices adopted in September 2017.34 14

15

B. PGE is not using the errata filing as a weapon to impede QF contracting.

16 Complainants apparently believe that PGE intentionally included errors in Schedule 17 201 or declined to correct errors sooner in order to "weaponize" the errors to PGE's 18 advantage, but this is utterly absurd.³⁵ After the Commission altered PGE's deficiency dates, 19 it gave the Company just two days to revise its avoided cost calculations and update its 20 filing.³⁶ As a result of the short timeline, PGE inadvertently neglected to update the dates in

³⁰ See Complaint at 6 (stating that PGE is requiring QFs to "wait until the Commission approves its new tariffs and accept much lower rates."); Complaint at 7 ("QFs are entitled to the old rate schedules until any new ones are approved").

³¹ See Complaint at 6.

³² Declaration of Ryin Khandoker at ¶ 3, Ex. A at 3, Ex. B at 5.

³³ See Declaration of Ryin Khandoker, Ex. B at 2.

³⁴ See Declaration of Ryin Khandoker at ¶ 3, Ex. A at 3, Ex. B at 5.

³⁵ See Complaint at 6.

³⁶ Order No. 17-347 at 1 (memorializing decision from the Tuesday, September 12 public meeting that required PGE to revise its filing at least two business days before Monday, September 18).

the deficiency period definitions.³⁷ And an inadvertent oversight is a much more rational explanation for the error than a nefarious plot, hatched back in September, to thwart QFs' efforts to obtain contracts before PGE's May avoided cost update.³⁸ Human error also explains the other examples Complainants point to as evidence of PGE's consistent practice of using errors to delay contracting.³⁹

Similarly, PGE did not intentionally withhold information about the definition error
from QFs only to spring it on them at the last minute, as Complainants' claim.⁴⁰ Instead,
once PGE determined, in early April, that it needed to correct the deficiency date definitions,
it promptly filed an errata, and just two business days after filing the errata, it began notifying
QFs about the correction.⁴¹

11 12 13

C. PGE is using the approved version of Schedule 201, because the minor corrections in the errata filing simply conform Schedule 201 to the Commission's order.

Complainants appear to assert that PGE's immediate implementation of the corrections in the errata filing has resulted in PGE using a contract form that has not been approved by the Commission. This assertion plainly is incorrect. The only thing that has changed in PGE's Schedule 201 contracts since the errata filing is that PGE now is including the correct definitions of the deficiency dates in the PPAs it executes and provides to QFs. Specifically, the Commission determined that PGE's non-renewable resource deficiency period should begin in 2021 and that the renewable resource deficiency period should begin

 ³⁷ See PGE's Second Errata to Compliance Filing of 9/14/17 ("PGE inadvertently did not modify the definitions . . . to reflect the new deficiency periods ordered by the Commission in Order No. 17-347.").
 ³⁸ See Complaint at 6 (stating that "the most plausible explanation" for PGE's delayed errata filing is the desire to prevent QFs from receiving current avoided cost rates); Complaint at 9 ("The Commission should also be aware that PGE often uses 'typographical errors' as a tool to delay and refuse to execute PPAs with QFs.").
 ³⁹ Complaint at 9-10. Complainants make a number of unsubstantiated allegations regarding one particular QF, Falls Creek Hydro, which is the subject of a separate, pending complaint proceeding in Docket No. UM 1859. PGE disputes the allegations regarding its contracting with Falls Creek, as explained in PGE's pleadings in that docket.

⁴⁰ Complaint at 5-6.

⁴¹ Declaration of Ryin Khandoker at ¶ 3, Ex. A at 3, Ex. B at 5 (demonstrating that PGE began emailing QFs on Monday, April 16, after making the errata filing on Thursday, April 12).

in 2025.⁴² PGE changed just four digits on a single page in Schedule 201 to reflect these dates in the definitions of sufficiency and deficiency periods.⁴³ Because it was simply correcting an error to conform Schedule 201 to the deficiency dates that were clearly stated and approved in the Commission's order, PGE did not need to await Commission approval before implementing the changes.

6 Complainants also argue that PGE has sought Commission approval for past revisions 7 when it benefits the Company to do so, suggesting that the Company should not implement the recent errata filing until it is approved by the Commission.⁴⁴ However, this argument 8 9 relies on a past revision to Schedule 201 in a compliance filing, which differs from the 10 instant errata in significant respects. Previously, PGE filed a compliance filing in Docket 11 No. UM 1805 with revisions to its standard contract regarding the 15-year fixed-price term, as directed by the Commission in that docket.⁴⁵ Although PGE initially filed the revisions on 12 13 July 20, 2017, and requested an effective date of August 19, 2017, the Commission did not consider and approve the revisions until September 13, 2017.⁴⁶ PGE properly sought and 14 15 awaited Commission approval before implementing the UM 1805 changes, because the Commission directed it to revise its standard contract but did not indicate what the revised 16 contract should say.⁴⁷ Here, in contrast, the Commission already had approved specific 17 18 dates, and PGE simply filed an errata to correct the definitions in Schedule 201 to implement 19 those dates. Therefore, Commission review and approval of the errata filing would have 20 been redundant, inefficient, and an unnecessary waste of Company and Commission 21 resources.

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Moreover, the history of the UM 1805 contract revisions actually shows that PGE's implementation of the most recent errata is consistent with its past actions on errata filings.

⁴⁴ See Complaint at 8-9.

⁴² Order No. 17-347 at 1.

⁴³ PGE's Second Errata to Compliance Filing of 9/14/17 at 3.

⁴⁵ Docket No. UM 1805, Order No. 17-256 at 4; PGE Compliance Filing (July 20, 2017).

⁴⁶ PGE Compliance Filing at 1; Docket No. UM 1805, Staff Report for September 12, 2017 Public Meeting (Sept. 7, 2017).

⁴⁷ See Order No. 17-256 at 4.

1 After the Commission approved PGE's UM 1805 revisions to the standard contract, PGE 2 inadvertently failed to incorporate the approved changes into the revised post-IRP update 3 filing of Schedule 201 on September 14, 2017, because of the short turnaround time previously discussed.⁴⁸ Therefore, PGE filed an errata on September 19 to Schedule 201 to 4 5 bring the contract language into compliance with the language approved by the Commission.⁴⁹ No party responded to that errata filing, the Commission took no action, and 6 7 PGE simply began including the revised language in its standard contracts-just as the Company did here.⁵⁰ Complainants did not complain then, nor do they complain now, that 8 9 PGE's errata filing on September 19 required Commission approval or was ineffective 10 because the Commission did not approve it.

11 12

D. Complainants have not met their burden of proof, because they failed to allege that any actual harm has or will occur to a specific QF.

13 Importantly, despite the multitude of allegations they have leveled against PGE, 14 Complainants failed to identify any QF whose contracting process has been delayed as a 15 result of PGE's implementation of the errata filing—and PGE is not aware of any such QF. Complainants merely state generally that, absent injunctive relief, "PGE will produce injury 16 to QFs over the course of the litigation" and QFs' rights will be violated.⁵¹ But they have 17 18 offered no specific allegations or evidence to support their claims—much less provided clear 19 and convincing proof-and the Commission certainly cannot grant the extreme injunctive 20 relief sought on the basis of their vague assertions.⁵² Complainants' allegations that PGE is 21 unlawfully delaying QF contracting by correcting an error on a single page in Schedule 201

⁴⁸ Docket No. UM 1728, Errata to Compliance Filing of 9/14/17 (Sept. 19, 2017).

⁴⁹ Errata to Compliance Filing of 9/14/17; Order No. 17-256.

⁵⁰ See generally Docket No. UM 1728.

⁵¹ Complaint at 11.

⁵² See Howe v. Greenleaf, 260 Or App at 712. Even assuming for the sake of argument that PGE's execution of the 17 partially executed PPAs was delayed slightly in the days immediately following the April 12 errata filing, the QFs would not have been harmed, because PGE's May update has not yet taken effect and the Company executed these PPAs with the avoided cost prices that have been in effect since September.

are false and defy credulity on their face, and Complainants' request for injunctive relief
 must be denied.

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E. Any harm QFs might suffer can be remedied, but PGE's customers could suffer significant, irreparable harm if the Company's avoided cost update is delayed.

6 Even if Complainants had demonstrated a likelihood of imminent harm, injunctive 7 relief is unnecessary in this case because any harm that might result from PGE's delays or 8 errors in the contracting process can be remedied effectively after the fact and therefore 9 would not be irreparable. The Commission's rules provide that a QF may file a complaint 10 against PGE and the Commission will then determine the contract prices, terms, and 11 conditions to which the QF is entitled and order PGE to provide the QF a conforming 12 This process has been used frequently, and Complainants have offered no contract. 13 explanation for why this well-established procedure cannot be applied to address any issues 14 related to the errata filing or the May 1 update that may arise in the contracting process.

Complainants vaguely threaten a "flood of complaints,"⁵³ but because PGE has and 15 16 intends to continue adhering to its established standard contracting process, PGE does not 17 anticipate that any QFs will have a good-faith reason to file a complaint against PGE. 18 However, failing to make the corrections contained in the errata filing and incorporating 19 errors in the PPAs would create the potential for unnecessary litigation that would tax the 20 resources of all concerned. Indeed, PGE sees no greater prescription for the threatened 21 "flood of complaints" than the relief Complainants seek—namely, the continued use of PPAs 22 with erroneous deficiency period definitions. Complainants have provided no persuasive 23 reason why irreparable harm will result, absent the extreme relief they seek.

Although Complainants cannot show irreparable harm to QFs, their requested relief that the Commission "bar PGE from filing lower Schedule 201 rates or delay the effective date of any such update"⁵⁴—would cause irreparable harm to PGE's customers. PGE

⁵³ See Complaint at 3.

⁵⁴ Complaint at 11.

1 continues to experience a high volume of QF contract requests, and each contract PGE 2 executes locks in 15 years of fixed prices, which begin when the facility comes online.⁵⁵ 3 PGE is committed to adhering to the established update process, but if even one QF obtains 4 the current prices when it should have received the updated, more accurate prices, then 5 customers will be paying in excess of the Company's avoided cost and will be harmed. For 6 example, each 3 MW solar PPA PGE executes at the current avoided cost prices instead of the updated prices filed on May 1 costs customers approximately \$770,000.⁵⁶ And PGE 7 estimates that more than 10 such PPAs will be executed in May and June 2018.⁵⁷ Therefore, 8 9 the Commission should reject Complainants' attempt to delay the update process, which 10 would result in irreparable harm to PGE's customers.

V. CONCLUSION

11 Despite a multitude of inflammatory, speculative, and false allegations, Complainants have failed to meet the very high standard of proving that any QF will be irreparably harmed 12 13 unless the Commission grants their request for injunctive relief. Contrary to their assertions, 14 PGE continues to contract with QFs according to its established processes, and the only 15 change PGE has made to its contracts is to correct uncontroversial errors in the deficiency 16 date definitions to bring them into conformance with the Commission order establishing 17 PGE's deficiency periods. Therefore, PGE respectfully requests that the Commission deny the request for injunctive relief and dismiss the Complaint. 18

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- 20 /////
- 21 /////

⁵⁵ See Docket No. UM 1728, Declaration of Ryin Khandoker at ¶ 2 (May 1, 2018).

⁵⁶ See Docket No. UM 1728, PGE's Application to Update Schedule 201 Qualifying Facility Information at 3 and Declaration of Ryin Khandoker at ¶ 4 (May 1, 2018).

⁵⁷ See Docket No. UM 1728, Declaration of Ryin Khandoker at ¶ 5 (May 1, 2018).

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Attorneys for Portland General Electric Company

PAGE 14 - PGE'S RESPONSE TO REQUEST FOR INJUNCTIVE RELIEF

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1940

DECLARATION OF RYIN

KHANDOKER

Northwest and Intermountain Power Producers Coalition, Renewable Energy Coalition, and Community Renewable Energy Association,

Complainants,

v.

Portland General Electric Company,

Defendant.

I, Ryin Khandoker, declare under penalty of perjury under the laws of the state of Oregon:

1. My full name is Ryin Khandoker. I am employed by Portland General Electric Company (PGE or the Company) as Originator, and I am responsible for managing PGE's standard contracting process with qualifying facilities (QFs) under PGE's Schedule 201 and the Public Utility Regulatory Policies Act (PURPA).

2. On Thursday, April 12, 2018, PGE filed an errata compliance filing in Docket No. UM 1728 to correct the definitions of "Resource Sufficiency Period," "Resource Deficiency Period," "Renewable Resource Sufficiency Period," and "Renewable Resource Deficiency Period" in Schedule 201 on Sheet No. 201-22 to conform to the deficiency dates ordered by the Public Utility Commission of Oregon (Commission) in Order No. 17-347.

3. On Monday, April 16, I began informing QFs about the correction in the errata filing. I first reached out to QFs with partially executed Power Purchase Agreements (PPAs)—that is, QFs that had signed and returned an executable PPA that was awaiting execution by PGE.

Page 1 – DECLARATION OF RYIN KHANDOKER

Two developers, with a combined total of 17 QF projects, had partially executed PPAs at this time—Sulus Solar and Conifer Energy Partners. I emailed both developers, explained the substance of the errata filing, emphasized that prices were not changing as a result of the correction, and offered the developers two options: (1) allow PGE to substitute the corrected Sheet No. 201-22 into the partially executed PPAs and then PGE would countersign the PPAs, or (2) receive a new executable PPA from PGE with the corrected Sheet No. 201-22. Exhibit A is a true and correct copy of my email communications with Sulus Solar about the errata filing. Exhibit B is a true and correct copy of my email communications with Conifer Energy Partners about the errata filing.

4. On Wednesday, April 18, both Sulus Solar and Conifer Energy Partners agreed that PGE should substitute the corrected Sheet No. 201-22 and countersign without delay. Therefore, I replaced Sheet No. 201-22 in each partially executed PPA, PGE countersigned the PPAs on Thursday, April 19, and I transmitted the fully executed PPAs to the developers in the morning on Monday, April 23. The timeline for PGE to countersign PPAs is not set by Schedule 201 or Commission rule and can vary depending on the volume of contracts being processed and availability of relevant employees. Typically, PGE countersigned all 17 of the PPAs described above within this timeframe. The prices to which a QF is entitled depend not on the date of PGE's execution, but rather on when the QF achieves a legally enforceable obligation—which generally occurs when a QF signs an executable PPA.

5. At the time PGE made the April 12 errata filing, I had sent an executable PPA to one developer that had not yet executed and returned the PPA. On April 18, I emailed this developer and asked whether they would agree to PGE providing an updated executable contract with the corrected Sheet No. 201-22. To date, the developer has not responded to my email and has not returned the executable PPA.

6. Between the September 2017 update and the April 12, 2018 errata filing, PGE executed five standard PPAs with two developers that contained the incorrect deficiency date definitions on Sheet No. 201-22. PGE has notified both developers of the error and plans to amend the PPAs to correct the error in Sheet No. 201-22.

7. Since April 12, I have been informing QFs in PGE's contracting queue about the errata filing in the normal course of my communications with them, and I have included the corrected Sheet No. 201-22 in all PPAs that I have sent out. Exhibit C is a true and correct copy of an email I sent to a developer when transmitting a final draft PPA. Exhibit C is not the only such email I have sent; it is being provided as an example.

8. I have adhered to PGE's standard contracting processes and timelines. No QF has communicated to me that it has suffered harm because of the errata filing, and to my knowledge, no QF has been delayed as a result of the errata filing.

SIGNED this 2nd day of May, 2018, at Portland, Oregon.

Bonton

Signed: ____

| BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON |
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| UM 1940 |
| Portland General Electric Company |
| Exhibit A to Response to Request for Injunctive Relief |
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| |
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| |
| May 2, 2018 |
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| From: | Colin Murphy <colin.murphy@sulus-solar.com></colin.murphy@sulus-solar.com> |
|----------|--|
| Sent: | Wednesday, April 18, 2018 6:34 PM |
| То: | Ryin Khandoker |
| Cc: | Brett Greene; David White |
| Subject: | RE: Executed PPA Timeline |

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Ryin,

I can confirm that it would be acceptable for PGE to replace the single page which contained the typographical error (with no changes to pricing) within the partially executed PPA that I have already provided, execute the PPA, and then return the fully executed PPA to me before COB 04/23/18.

While its appreciated that PGE will work towards this deadline, I would like to re-iterate that if PGE do not return a countersigned copy of the PPA before COB 04/23/18 then I will be forced to file a complaint with the Oregon Public Utility Commission.

Regards,

Colin Murphy | Sulus Solar *Phone*: +1 (971) 331 5311 *Website:* www.sulus-solar.com

From: Ryin Khandoker <Ryin.Khandoker@pgn.com>
Sent: Tuesday, April 17, 2018 8:58 PM
To: Colin Murphy <colin.murphy@sulus-solar.com>
Cc: Brett Greene <Brett.Greene@pgn.com>; David White <David.White@pgn.com>
Subject: RE: Executed PPA Timeline

Colin,

Confirming your proposal, it would be acceptable to replace the single page which contained the typographical error within the partially executable PPA as long as PGE returned to you a fully executed PPA by close of business day on 4/23/18?

If you agree with this proposal, PGE will work towards meeting this deadline. Alternatively PGE can issue you a new executable PPA with the correct page as a result of the errata filing. Please let me know how you would like to proceed.

From: Colin Murphy [mailto:colin.murphy@sulus-solar.com]
Sent: Tuesday, April 17, 2018 9:34 AM
To: Ryin Khandoker
Subject: RE: Executed PPA Timeline

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Ryin,

This timeline is unreasonable and unacceptable. If PGE do not commit to returning a countersigned copy of the PPA before 04/23/18 then I will be forced to file a complaint with the Oregon Public Utility Commission.

Please confirm today if PGE will commit to the above date.

Regards,

Colin Murphy | Sulus Solar Phone: +1 (971) 331 5311 Website: www.sulus-solar.com

From: Ryin Khandoker <<u>Ryin.Khandoker@pgn.com</u>> Sent: Monday, April 16, 2018 3:49 PM To: Colin Murphy <<u>colin.murphy@sulus-solar.com</u>> Subject: RE: Executed PPA Timeline

Colin,

Appreciate the prompt response, PGE will replace the relevant page within the Schedule 201 tariff, countersign the PPA, and return to you a fully executed PPA. Unfortunately I cannot commit to your proposed 4/23/18 deadline given the large number of QF PPA requests PGE is currently processing.

Ryin

From: Colin Murphy [mailto:colin.murphy@sulus-solar.com] Sent: Monday, April 16, 2018 2:54 PM To: Ryin Khandoker Subject: RE: Executed PPA Timeline

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Ryin,

It is inappropriate to introduce any changes to the PPA as I have already returned a partially executed PPA that established a legally enforceable obligation. However, I am willing to accept the first option you have described below, which I understand is that PGE will substitute the new Schedule 201 (with no changes to pricing) within the partially executed PPA that I have already provided, execute the PPA, and then return the fully executed PPA to me. I am only willing to agree to this provided that a PGE countersigned copy be returned immediately, and no later than April 23.

Please confirm PGE agrees to provide the fully executed PPA by April 23.

Regards,

Colin Murphy | Sulus Solar Phone: +1 (971) 331 5311 From: Ryin Khandoker <<u>Ryin.Khandoker@pgn.com</u>> Sent: Monday, April 16, 2018 11:51 AM To: Colin Murphy <<u>colin.murphy@sulus-solar.com</u>> Subject: RE: Executed PPA Timeline

Colin,

The turnaround time to return fully executable PPAs are also as a result of PGE correcting typographical errors within the Schedule 201 document. As you were already aware based on our prior conversations, incorrect dates were used to identify the end of the deficiency period and the start of the sufficiency period.

On Thursday 4/12/18, PGE submitted the corrections via docket UM 1728: (http://apps.puc.state.or.us/edockets/edocs.asp?FileType=HAD&FileName=um1728had164221.pdf&DocketID=19526&n umSequence=69)

Again I want to emphasize there were no price changes as a result of this correction, the link above reflects the scope of the corrections.

Due to this change there are two options going forward, PGE can substitute the updated schedule 201 tariff sheet within the partially executed PPA you provided, countersign, and return. Alternatively PGE can provide you a new executable which will include this correction; you can execute this PPA and return it back to PGE for countersignature. Please let me know how you would like to proceed.

 Ryin Khandoker | Structuring and Origination

 Portland General Electric | 121 SW Salmon Street, 3WTC0306, Portland, Oregon 97204

 [☎]: 503-464-8448 | ⊠: ryin.khandoker@pgn.com

From: Colin Murphy [mailto:colin.murphy@sulus-solar.com] Sent: Friday, April 13, 2018 2:03 PM To: Ryin Khandoker Subject: RE: Executed PPA Timeline

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Ryin,

Could you please respond to the email below.

Thanks,

Colin Murphy | Sulus Solar Phone: +1 (971) 331 5311 Website: www.sulus-solar.com

From: Colin Murphy Sent: Monday, April 9, 2018 3:34 PM To: 'Ryin Khandoker' <<u>Ryin.Khandoker@pgn.com</u>> Subject: RE: Executed PPA Timeline Ryin,

I understand that PGE are processing a large number of executable PPA's but waiting for the return of our fully executed copies until the end of this month is too long.

In the document that accompanies the executable PPA, PGE have stated that when the partially executable agreement is returned to PGE for full execution, a legally enforceable obligation will have been established and the solar facility will be entitled to receive PGE's Renewable Avoided Costs in effect at the time the solar facility returns the partially executed PPA without alteration. We have returned the partially executed agreement to PGE without alteration and therefore entitled to receive PGE's Renewable Avoided Costs in effect at the time we returned the partially executed agreement. Given there may be a rate change on May 1st, I insist that we receive a fully executed PPA agreement immediately or before the next date of PGE filing a rate change. In addition, confirm that our partially executed PPA's that have been returned to PGE will be entitled to receive PGE's Renewable Avoided Costs in effect at the time the solar facility returned the partially executed agreement.

Regards,

Colin Murphy | Sulus Solar Phone: +1 (971) 331 5311 Website: www.sulus-solar.com

From: Ryin Khandoker <<u>Ryin.Khandoker@pgn.com</u>> Sent: Monday, April 9, 2018 12:33 PM To: Colin Murphy <<u>colin.murphy@sulus-solar.com</u>> Subject: RE: Executed PPA Timeline

Colin,

PGE is currently processing a large number of executable PPAs, targeting returning fully executed copies by the end of this month.

Ryin

From: Colin Murphy [mailto:colin.murphy@sulus-solar.com] Sent: Friday, April 6, 2018 10:07 AM To: Ryin Khandoker Subject: Executed PPA Timeline

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Hi Ryin,

I was wondering when I could expect the executed PPA's returned with a counter signature?

Many thanks,

UM 1940 PGE Response to Request Exhibit A Page 5 of 5

Colin Murphy | Sulus Solar Phone: +1 (971) 331 5311

Website: www.sulus-solar.com



| BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON |
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| UM 1940 |
| Portland General Electric Company |
| Exhibit B to Response to Request for Injunctive Relief |
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| May 2, 2018 |

| From: | Jonathan Nelson <jonathan@coniferenergypartners.com></jonathan@coniferenergypartners.com> |
|----------|---|
| Sent: | Wednesday, April 18, 2018 11:09 AM |
| То: | Ryin Khandoker |
| Cc: | Brett Greene; John Morton |
| Subject: | Re: Question about Executable PPAs |

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Perfect. Thanks for your help.

-Jonathan

On Wed, Apr 18, 2018 at 10:28 AM Ryin Khandoker <<u>Ryin.Khandoker@pgn.com</u>> wrote:

We can meet the 4/27 deadline

From: Jonathan Nelson [mailto:jonathan@coniferenergypartners.com] Sent: Wednesday, April 18, 2018 10:26 AM

To: Ryin Khandoker Cc: Brett Greene; John Morton Subject: Re: Question about Executable PPAs

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Ryin,

Sounds good. It would be great to get the the countersigned copies by Friday, 4/27.

Thanks for your help and have a nice day.

-Jonathan

On Wed, Apr 18, 2018 at 10:19 AM Ryin Khandoker <<u>Ryin.Khandoker@pgn.com</u>> wrote:

Jonathan,

LEOs were achieved for Cosper Creek Solar, Dryland Solar, and Dunn Rd Solar. It's probably going to be sometime next week by when PGE will return to you a countersigned (fully executed) PPA.

Ryin

From: Jonathan Nelson [mailto:jonathan@coniferenergypartners.com]
Sent: Wednesday, April 18, 2018 10:11 AM
To: Ryin Khandoker
Cc: Brett Greene; John Morton

Subject: Re: Question about Executable PPAs

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Ryin,

Fair enough, thanks for your reply. Substituting the revised schedule into the current signed contracts sounds like it's the most efficient. In return, can you affirm the LEOs for each PPA and countersign by this Friday, 4/20? If you can do that, I'm fine with just substituting the revisions into the current contracts.

Thanks,

-Jonathan

On Tue, Apr 17, 2018 at 1:30 PM Ryin Khandoker <<u>Ryin.Khandoker@pgn.com</u>> wrote:

Your comment "enforce amendments to the tariff sheet that have yet to be acknowledged and affirmed by the commission" is incorrect. To the contrary, the sufficiency/deficiency demarcation was established by commission order 17-347 (http://apps.puc.state.or.us/orders/2017ords/17-347.pdf).

ORDER NO. 17 347

ENTERED SEP 1 4 2017

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1728

In the Matter of

PORTLAND GENERAL ELECTRIC COMPANY,

ORDER

Application to Update Schedule 201 Qualifying Facility Information.

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED WITH MODIFICATIONS

This order memorializes our decision, made and effective at the public meeting on September 12, 2017, to adopt Staff's recommendation with modifications. At that meeting, we adopted the following Commission motion:

- 1. Portland General Electric Company shall file a modified Schedule 201 that:
 - Removes the solar integration charge;
 - (b) Uses a 2021 deficiency period for nonrenewable avoided cost prices;
 - (c) Uses a 2025 deficiency period for renewable avoided cost prices; and
 - (d) Addresses identified anomalies in monthly price on-peak calculations for renewable resources.
- PGE shall file the revised schedule at least two business days before September 18, 2017, and provide workpapers supporting the revised schedule to parties that request copies.

As such PGE is not willing to deviate from the established 201 process by granting a LEO for Williams Acres Solar, Cow Creek Solar, Zena Solar, Gun Club Solar, and Carnes Creek Solar prematurely. Please let me know how you would like to proceed.

Ryin Khandoker | Structuring and Origination

Portland General Electric | <u>121 SW Salmon Street</u>, 3WTC0306, Portland, Oregon 97204

🖀: 503-464-8448 | 🖂: <u>ryin.khandoker@pgn.com</u>

From: Jonathan Nelson [mailto:jonathan@coniferenergypartners.com]
Sent: Tuesday, April 17, 2018 11:44 AM
To: Ryin Khandoker
Subject: Re: Question about Executable PPAs

Please take care when opening links, attachments or responding to this email as it originated outside of PGE.

Hi Ryin,

I can understand your position. However it seems unconventional to enforce amendments to the tariff sheet that have yet to be acknowledged and affirmed by the commission. Not to also mention, the substitution is out of step with the rigidity of PGE's own process. If we were to stick with the established process, the PPAs should reflect what was in the schedule 201 tariff sheet at the time they were executed and the LEO was established. For Dunn Rd that is 3/29/2018, for Cosper Creek and Dryland it would be 3/30/2018.

That said, since PGE is willing to deviate from the process, I could be amenable to substituting the updated schedule if PGE can countersign and affirm the dates of my prior LEOs <u>and</u> issue executable PPAs for my other projects (Williams Acres Solar, Cow Creek Solar, Zena Solar, Gun Club Solar, and Carnes Creek Solar). If we can do that, then I am fine proceeding with your suggestion.

Regards,

UM 1940 PGE Response to Request Exhibit B Page 5 of 6

-- Jonathan Nelson

Conifer Energy Partners LLC

303-709-9600

On Mon, Apr 16, 2018 at 12:16 PM, Ryin Khandoker <<u>Ryin.Khandoker@pgn.com</u>> wrote:

Jonathan,

A typographical error was found within the Schedule 201 tariff and on Thursday 4/12/18, PGE submitted the corrections via docket UM 1728:

(http://apps.puc.state.or.us/edockets/edocs.asp?FileType=HAD&FileName=um1728had164221.pdf&Docket ID=19526&numSequence=69)

The typographical error involved incorrect dates used to identify the end of the deficiency period and the start of the sufficiency period. I do want to emphasize there were no price changes as a result of this correction, the link above reflects the scope of the corrections.

As for the three executable PPAs (Cosper, Dryland, & Dunn Rd), PGE can substitute the updated schedule 201 tariff sheet within the partially executed PPAs you provided, countersign, and return. Alternatively PGE can issue new executables which will include this correction; you can execute these PPAs and return them back to PGE for countersignature. Please let me know how you would like to proceed.

Thanks,

Ryin Khandoker | Structuring and Origination

Portland General Electric | <u>121 SW Salmon Street</u>, 3WTC0306, Portland, Oregon 97204

2: 503-464-8448 | Z: ryin.khandoker@pgn.com

UM 1940 PGE Response to Request Exhibit B Page 6 of 6

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-- Jonathan Nelson

Conifer Energy Partners LLC

303-709-9600

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-- Jonathan Nelson

Conifer Energy Partners LLC

303-709-9600

---- Jonathan Nelson Conifer Energy Partners LLC 303-709-9600

| BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON |
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| UM 1940 |
| Portland General Electric Company |
| Exhibit C to Response to Request for Injunctive Relief |
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| May 2, 2018 |

| From: | Ryin Khandoker <ryin.khandoker@pgn.com></ryin.khandoker@pgn.com> |
|--------------|---|
| Sent: | Wednesday, April 18, 2018 4:18 PM |
| То: | Caroline Whittinghill (caroline.whittinghill@ccrenew.com) |
| Cc: | John Morton; Brett Greene |
| Subject: | Transmittal of Final Draft Standard PPA -Gallagher Solar |
| Attachments: | Transmittal of Final Draft Standard PPA -Gallagher Solar.pdf; Final Draft PPA - Gallagher |
| | Solar.pdf |

Caroline,

Please see the attached documents regarding your PPA request.

Additionally a typographical error was discovered within the Schedule 201 tariff and on Thursday 4/12/18, PGE submitted the corrections via docket UM 1728:

(http://apps.puc.state.or.us/edockets/edocs.asp?FileType=HAD&FileName=um1728had164221.pdf&DocketID=19526&n umSequence=69)

This typographical error involved incorrect dates used to identify the end of the deficiency period and the start of the sufficiency period as established per commission order 17-347. I do want to emphasize there were no price or term changes as a result of this correction, also the link above reflects the scope of the corrections. Lastly this change was incorporated into the attached version of the Final Draft PPA.

 Ryin Khandoker
 | Structuring and Origination

 Portland General Electric
 | 121 SW Salmon Street, 3WTC0306, Portland, Oregon 97204

 [☎]: 503-464-8448 | ⊠: ryin.khandoker@pgn.com