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May 12, 2016

Via Electronic Filing

Oregon Public Utility Commission
Attention: Filing Center
201 High Street, Suite 100
PO Box 1088
Salem OR 97308-1088

Re: OPUC Docket Nos. AR 598 and UM 1771 – The Northwest and Intermountain Power Producers Coalition Petition for Temporary Rulemaking and Investigation into PacifiCorp's 2016 Requests for Proposal

Attention Filing Center:

Enclosed for filing in the above-referenced dockets is Portland General Electric Company's ("PGE") Opposition to the Northwest and Intermountain Power Producers Coalition's Petition.

Thank you for your assistance.

Sincerely,

A handwritten signature in blue ink that reads "V. Denise Saunders". The signature is written in a cursive, flowing style.

V. Denise Saunders
Associate General Counsel

VDS:bop

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 598 / UM 1771

In the Matter of

THE NORTHWEST AND
INTERMOUNTAIN POWER PRODUCERS
COALITION

Petition for Temporary Rulemaking and
Investigation into PacifiCorp's 2016 Requests
for Proposal.

**Portland General Electric Company's
Opposition to the Northwest and
Intermountain Power Producers
Coalition's Petition for Temporary
Rulemaking and Investigation**

Portland General Electric Company (PGE) submits these comments opposing the Northwest and Intermountain Power Producers Coalition (NIPPC) Petition for Temporary Rulemaking and Investigation into PacifiCorp's 2016 Requests for Proposal (NIPPC Petition). As discussed below, the Public Utility Commission of Oregon (OPUC or Commission) does not have the authority to issue the rule proposed by NIPPC and, even if it did, should not do so because the rule is an unnecessary restriction of the Commission's competitive bidding process that could prevent utilities from capturing significant value for their customers.

I. INTRODUCTION

On April 11, 2016, PacifiCorp issued two Requests for Proposals (RFPs) designed to solicit bids for RPS-eligible resources, including utility- and third-party-owned options, that maximize the time-limited opportunities associated with the extension of federal tax credits.¹ In issuing its RFPs, PacifiCorp relied on Guideline 2(a) of the Commission's Competitive Bidding

¹ *Re Northwest and Intermountain Power Producers Coalition*, Docket Nos. AR 598 and UM 1771, *PacifiCorp's Motion in Opposition to the Northwest and Intermountain Power Producers Coalition's Petition for Temporary Rulemaking and Investigation at 1-2* (May 6, 2016)(PacifiCorp Opposition)

Guidelines which allow a utility to move forward with time-limited acquisition opportunities without imposing the full requirements of the Commission's competitive bidding process.²

On April 25, 2016, NIPPC filed its Petition proposing a temporary rule that would effectively prohibit all investor-owned utilities in Oregon from acquiring ownership of any new renewable generation resources during the 180-day duration of the rule.³ NIPPC also asked the Commission to open an investigation into PacifiCorp's RFPs. The Industrial Customers of Northwest Utilities (ICNU) filed Comments on NIPPC Petition on May 2, 2016 neither supporting nor opposing the NIPPC Petition but agreeing with a number of issues that NIPPC raises (ICNU Comments).

PGE opposes the NIPPC Petition and urges the Commission to reject it for the following reasons:

First, the Commission lacks the delegated legislative authority to prohibit investor-owned utilities from purchasing new renewable generation resources.

Second, recent legislation (SB 1547) directs the Commission to adopt rules that, *as part of a utility's renewable portfolio implementation planning*, provide for the evaluation of competitive bidding processes allowing for diverse ownership of renewables. This mandate does not require or authorize the adoption of new, stand-alone competitive bidding rules. And it certainly does not authorize the Commission to prohibit utility ownership of renewables.

² PacifiCorp Opposition at 8.

³ NIPPC asks the Commission to adopt a temporary rule with two sections. Section 1 prohibits utilities from owning or acquiring new renewable resources. Section 2 creates an exception to Section 1 for renewables acquired pursuant to the Commission's competitive bidding rules. While the Commission has adopted competitive bidding guidelines (*See* Appendix A of Order No. 14-149, Docket UM 1182), NIPPC intends for the Section 2 exception to apply only if and when the Commission adopts permanent rules governing competitive bidding (*see* NIPPC's Petition at 12). The net effect of NIPPC's proposed temporary rule would be to prohibit utility ownership of new renewables for 180-days.

Third, there is no need for stand-alone competitive bidding rules because the Commission has already adopted competitive bidding guidelines after an extensive contested-case proceeding in UM 1182.

Fourth, the outcome sought by NIPPC through its proposed rule is bad public policy. If the Commission adopted NIPPC's proposed rule, the only renewables a utility could obtain would be through power purchase agreements (PPAs) with independent power producers (IPPs). The rule would impose barriers to competition and effectively limit ownership of new renewables to IPPs, a result that contradicts the legislature's intent and could prevent utilities from acquiring least-cost least-risk resources for customers.

Fifth, the proposed rule would prevent utilities from acquiring needed renewable resources at a good value for Oregon customers.

For each of these reasons, the Commission should reject NIPPC's petition for a temporary rule. Alternatively, if the Commission decides to adopt the temporary rule, PGE urges the Commission to revise Section 2 of the proposed rule to state:

(2) The above restriction shall not apply to electric company ownership or acquisition of any renewable energy resources acquired consistent with Commission competitive bidding guidelines, including any exceptions permitted thereunder.

This formulation would make it clear that a utility may proceed with ownership of a renewable resource if the RFP process leading to the acquisition complied with the Commission's existing guidelines on competitive bidding (or qualified for a valid exception under guideline 2). This outcome would effectively make the existing guidelines enforceable through rule but would avoid the unnecessary, undesirable and unauthorized prohibition of utility ownership of new renewables.

II. ARGUMENTS

A. The Commission lacks the Authority to Prohibit Utilities from Owning New Renewable Generation

NIPPC has asked the Commission to adopt a temporary rule that effectively prohibits Oregon utilities from acquiring any new renewable generation resources. The Commission lacks the authority to prohibit investor-owned utilities from using private capital to acquire new renewables because the Oregon legislature has not delegated that power to the Commission.

The Commission “has no inherent power, but only such power and authority as has been conferred upon it by its organic legislation.”⁴ As a result, “[t]he powers of the PUC, like those of other executive agencies, are limited to those expressly authorized or necessarily implied by statute.”⁵ And while the courts have recognized that:

Utility regulation, including ratemaking, is a legislative function, and the legislature has granted broad power to [the] PUC to perform its delegated function.⁶

The courts have also cautioned:

[T]he powers of a regulatory agency are not ... without limits. Like the legislature itself, a regulatory agency is bound to exercise its authority within the confines of both the state and federal constitutions. An agency’s authority may be further limited by the legislature itself; its power arises from and cannot go beyond that expressly conferred upon it.⁷

In this case, NIPPC seeks a rule that prohibits utilities from using their private capital to acquire new renewable resources. The legislature has on occasion mandated that investor-owned utilities purchase certain classes of generation resource.⁸ And, within constitutional limits, the legislature can arguably prohibit investor-owned utilities from purchasing designated types of

⁴ *Ochoco Constr., Inc. v. Dept. of Land Conservation & Dev.*, 295 Or. 422, 426 (1983).

⁵ *Gearhart v. Public Util. Comm’n of Oregon*, 356 Or. 216, 231-232 (2014).

⁶ *Pacific Northwest Bell Tel. Co. v. Katz*, 116 Or. App. 302, 309 (1992).

⁷ *Id.*, at 310 quoting from *Pacific N.W. Bell v. Sabin*, 21 Or. App. 200, 213, *rev den* (1975).

⁸ See e.g., ORS 469A.052 mandating that a certain percentage of electricity generated or acquired by a utility and sold to retail customers must be from renewable generation sources; see also recently repealed ORS 757.370, which required that utilities acquire a certain amount of capacity from Oregon-based solar resources.

generation. For example, the legislature could presumably prohibit utilities in the state from constructing, owning or operating nuclear power plants on public safety grounds. However, at present, the Oregon legislature has passed no laws prohibiting Oregon utilities from owning new renewable resources; and the legislature certainly hasn't empowered the Commission to impose and enforce any such prohibition.

Oregon's investor-owned utilities remain free to invest their capital in new renewable generation as they see fit. Of course, the Commission has the delegated authority to determine whether or not to allow rate recovery of a utility's cost to acquire a particular renewable resource. If the Commission concludes that it was imprudent for a utility to acquire a new renewable resource, the Commission could deny recovery of the cost of acquisition in customer rates. But this delegated power is entirely different from the power to prohibit the purchase in the first place. The Commission should deny NIPPC's petition to adopt a temporary rule because the proposed rule seeks a result that exceeds the Commission's delegated authority and jurisdiction.

B. SB 1547 Does Not Direct the Commission to Adopt New Stand-Alone Rules Governing Competitive Bidding

In its petition, NIPPC suggests that Section 6 of SB 1547 has amended ORS 469A.075(4) in such a manner as to empower the Commission to adopt a temporary rule prohibiting utilities from acquiring new renewable resources.⁹ But this misconstrues ORS 469A.075(4) as amended by SB 1547. The statute now states in relevant part:

(1) An electric company that is subject to a renewable portfolio standard shall develop an implementation plan for meeting the requirements of the renewable portfolio standard and file the implementation plan with the Public Utility Commission. ...

⁹ NIPPC's Petition at 12.

- (2) At a minimum, an implementation plan must contain:
 - (a) Annual targets for acquisition and use of qualifying electricity; and
 - (b) The estimated cost of meeting the annual targets ...
- (3) The commission shall acknowledge an implementation plan no later than six months after the implementation plan is filed with the commission. ...
- (4) The commission shall adopt rules:
 - (a) Establishing requirements for the content of implementation plans;
 - (b) Establishing the procedure for acknowledgment of implementation plans ...;
 - (c) Providing for the integration of an implementation plan with the integrated resource planning guidelines ...; and
 - (d) **Providing for the evaluation of competitive bidding processes that allow for diverse ownership of renewable energy sources that generate qualifying electricity.**
- (5) An implementation plan filed under this section may include procedures that will be used by the electric company to determine whether the costs of constructing a facility that generates electricity from a renewable energy source, or the costs of acquiring bundled or unbundled renewable energy certificates, are consistent with the renewable portfolio standards of the commission relating to least-cost, least-risk planning for acquisition of resources.¹⁰

When reviewed in context, it is clear that Subsection (4)(d) is part of a larger set of rules governing a utility's renewable portfolio implementation plan (RPIP). Subsection (4)(d) does not authorize the Commission to adopt stand-alone rules governing competitive bidding—the Commission already has a set of guidelines governing competitive bidding that were developed through an extensive contested case proceeding in UM 1182. Rather, subsection (4) requires the Commission to develop a set of rules governing the RPIP that include, as part of the RPIP process, a set of rules addressing the evaluation of competitive bidding processes that allow for diverse ownership of renewable energy sources.

¹⁰ ORS 469A.075 (emphasis added to delineate new subsection (4)(d) added by SB 1547).

C. There is No Need for the Commission to Adopt Stand-Alone Rules on Competitive Bidding Because the Commission has Already Adopted Controlling Guidelines

In NIPPC's view, the Commission needs to adopt permanent rules addressing competitive bidding and providing for diversity of ownership of renewable resources.¹¹ But the Commission already has an extensive and well-reasoned set of policies regarding competitive bidding, which the Commission has articulated in Appendix A to Order No. 14-149 in Docket UM 1182. These guidelines were developed through an extensive contested case proceeding. The guidelines are designed to counter any bias that utilities may have in favor of utility ownership of new generation resources.¹² There is no need to adopt new rules to accomplish the goals that have already been adequately addressed by the Commission's existing guidelines.

As discussed above, ORS 469A.075(4)(d) does not mandate that the Commission adopt new stand-alone rules on competitive bidding, rather the statute directs the Commission to adopt rules that require a utility's RPIP process to include evaluation of competitive bidding processes that allow for diverse ownership of renewable energy sources. Satisfying this RPIP mandate does not require that the Commission modify its existing guidelines on competitive bidding nor that the Commission replace those guidelines with new, stand-alone rules on competitive bidding.

D. NIPPC's Proposed Rule Should be Rejected as Bad Public Policy Because it Would Reduce Diversity in the Ownership of Renewable Resources and Enact Barriers to Competitive Markets

Both the legislature and the Commission seek to allow for diversity in the ownership of renewable resources.¹³ NIPPC's proposed rule is bad public policy because it frustrates rather

¹¹ See NIPPC's Petition at 12 (arguing that ORS 469A.075(4)(d) "requires the Commission to improve its existing guidelines by making them legally binding rules that will prevent utilities from owning all the new renewable energy generation.").

¹² See Order No. 11-001, Docket UM 1276 at 7 (directing Administrative Hearings Division to reopen docket UM 1182 to consider whether changes to competitive bidding guidelines are needed to "ensure that the utility self-build bias does not result in the acquisition of higher cost utility-owned resources.").

¹³ See e.g., ORS 469A.075(4)(d) (requiring an RPIP process that evaluates competitive bidding processes that allow for diverse ownership of renewables); see also Order No. 06-446 and Order No. 14-149 in Docket UM 1182

than promotes that goal. Under NIPPC's proposed rule, utilities cannot own new renewables and can only obtain new renewable energy under PPAs with IPPs.¹⁴ In effect, the proposed rule would limit ownership of new renewables to IPPs. But this outcome is the exact opposite of the public policy favoring diverse ownership of generation resources.

It is also the exact opposite of the outcome that NIPPC urges on the Commission –the removal of barriers to competitive markets. NIPPC states that the Commission is the “guardian of competitive markets” and that the Commission is “required to eliminate barriers to competitive markets” yet NIPPC would have the Commission exclude one entire category of resource options, i.e., ownership options, from competing in Oregon utility RFPs.¹⁵ Instead of allowing competition to determine the least-cost, least risk resource, NIPPC essentially asks the Commission to prejudge that PPAs are the least-cost least risk option; yet NIPCC provides no evidence that this is the case.

The Commission has previously rejected attempts by NIPPC to structure RFPs to eliminate ownership options. In Docket UM 1182, NIPPC proposed a requirement that utilities procure certain resources through RFPs that do not include a utility ownership option and where IPPs will exclusively compete with one another.¹⁶ The Commission ruled that NIPPC's proposal was contrary to the goal underlying the IRP process that utilities obtain resources that are least risk and cost to ratepayers.¹⁷ The Commission stated that, absent clear legislative direction, it was unwilling to consider any mechanism that would require a utility to procure certain types of

(establishing competitive bidding guidelines including the use of an independent evaluator to ensure that utilities do no inappropriately favor utility-owned proposals).

¹⁴ The proposed rule prohibits utilities from acquiring ownership rights in any new renewable energy resources but defines such resources to exclude power purchase agreements that do not include an option for the utility to acquire the resource. See Attachment A to NIPPC's Petition. In effect NIPPC's rule allows utilities to acquire new renewable energy only from IPPs through power purchase agreements.

¹⁵ NIPPC's Petition at 2.

¹⁶ *Re Investigation Regarding Competitive Bidding*, Docket No. UM 1182, Order No. 14-149 at 15 (April 30, 2014).

¹⁷ *Id.* at 16.

resources regardless of the impact on customer rates.¹⁸ NIPPC has offered no compelling reason for the Commission to alter its position. Fundamentally, and despite NIPPC's desires to the contrary, the Commission's role is not to guarantee a market for IPPs, rather it is to induce utilities to acquire resources that will serve their customers at the lowest cost and risk. Because the proposed rule is bad public policy, the Commission should deny NIPPC's petition to adopt the rule.

E. NIPPC's Proposed Rule would Prevent PGE from Acquiring Needed Renewable Resources at a Good Value for Customers

On May 4, 2016, PGE filed a Petition for Partial Waiver of Competitive Bidding Guidelines and Approval of RFP Schedule, seeking a partial waiver of two of the Commission's Competitive Bidding Guidelines and approval of a proposed RFP schedule.¹⁹ (Waiver Petition) PGE submitted its request pursuant to Guideline 2(c) of the Competitive Bidding Guidelines which allows the Commission to waive the Guidelines on a case-by-case basis.²⁰ PGE indicated that it would not be able to move forward with its RFP unless the Commission approves the waiver and proposed schedule.

The impetus for PGE's proposed RFP is to acquire renewable energy that can take full advantage of the recent extension of the federal Renewable Electricity Production Tax Credit (PTC). PGE does not place any restrictions on the types of RPS-qualified resources that can bid into the RFP and is expressly soliciting proposals for both PPA and ownership options. While the NIPPC Petition purports to be directed specifically at PacifiCorp, NIPPC's proposed rule is not. It applies to any electric company or consumer-owned utility that is engaged in the business

¹⁸ *Id.*

¹⁹ *Re* Portland General Electric Company, PGE Partial Waiver of Competitive Bidding Guidelines, Approval of RFP Schedule, Docket UM 1773 (May 4, 2016).

²⁰ *Id.* at 1.

of distributing electricity to retail electricity consumers in this state.²¹ Thus, it would prevent PGE from issuing its RFP, as designed. PGE has filed its RFP for Commission review in Docket UM 1773. PGE urges the Commission not to take any action in response to NIPPC's request that would prevent it from evaluating PGE's RFP on its merits.

F. ICNU Ignores the Significant Value that a RFP Issued Now may Provide for Utility Customers

In its comments ICNU states that “the imprudence of PacifiCorp’s renewable RFPs is primarily due to the fact that the Company does not need new renewable energy to comply with Oregon’s RPS until at least 2025.”²² While PGE can’t speak to PacifiCorp’s specific need, ICNU’s comments appear to ignore the prudence of issuing an RFP to explore whether or not acquiring renewable resources ahead of need would reduce costs and risks to customers compared to a delay in acquiring renewable resources on a just in time basis. Based on PGE’s evaluation, the value to customers could be significant.

As explained in its Waiver Petition, PGE has conducted analyses of the cost impacts for several different RPS compliance strategies. Specifically, PGE examined the impact on NPVRR for acquiring different levels of renewable resources in 2018, 2019 and 2020 rather than acquiring the resources in 2025. PGE’s analyses showed that the cost savings (i.e., decrease to NPVRR) increased the earlier renewable resources were purchased and as amount of resources increased. For example, if 70 MWa were purchased in 2020 vs. 2025 the NPVRR would decrease between \$0 and \$100 million. However, if 253 MWa (the 2025 renewable resource need identified in PGE’s 2016 IRP) were purchased in 2018, then the costs savings to customers would range from \$235 million to \$315 million.

²¹ NIPPC Petition, Attachment A; ORS 757.600(11).

²² ICNU Comments at 4.

ICNU also contends that the gradual phase-out of PTCs beginning in 2017 is not sufficient to justify the acquisition of new generation through the issuance of an RFP.²³ ICNU states, “PTCs . . . have expired or been on the verge of expiration ten times, include the most recent instance. Every time they get renewed. There is no reason to believe this time will be different.” PGE disagrees. In the past, Congress has waited until the tax credits were about to expire or had expired before extending the tax credits. This is the first time that Congress has authorized a *phase-down* for PTCs.

Finally, PGE also takes issue with ICNU’s characterization of the PTC phase-out as “gradual.”²⁴ The PTC phase-out or step-down provisions reduce the tax credits available by 20% per year with complete elimination after five years. Hardly a “gradual” phase-out.

G. NIPPC’s Proposed Rule is Not Needed to Avoid Serious Prejudice to the Public Interest

NIPPC asks the Commission to adopt a temporary rule without the process associated with a permanent rule. To do so, the Commission must find that a failure to act promptly “will result in serious prejudice to the public interest or the interest of the parties concerned” and the Commission must state “the specific reasons for its finding of prejudice.”²⁵ The Oregon courts will invalidate any temporary rule that is adopted in the absence of the requisite threat of serious prejudice to the public interest.²⁶

²³ ICNU Comments at 5.

²⁴ ICNU Comments at 5.

²⁵ ORS 183.335(5)(a); *see also* OAR 860-001-0260(2) (requiring the Commission to file with the Secretary of State the findings required by ORS 183.335(5)).

²⁶ *See Metropolitan Hospitals, Inc. v. State Health Planning & Dev. Agency*, 52 Or. App. 621, 626 (1981) (temporary rule held invalid because adoption of rule “to provide a more thorough, equitable and less expense hearing [process] to [certain] applicants” did not demonstrate that “serious prejudice” to the parties involved would occur in the absence of the temporary rule); *Waterwatch of Oregon, Inc. v. Oregon Water Resources Com.*, 97 Or. App. 1, 5-6 (1989) (temporary rule held invalid because rationale for rule did not satisfy the “serious prejudice” requirement of ORS 183.335(5)(a)).

The Commission should reject NIPPC’s petition for temporary rulemaking because NIPPC has failed to articulate any “serious prejudice” that would occur if the proposed rule is not promptly adopted. NIPPC has stated that “[f]ailing to immediately adopt rules that temporarily bar or limit PacifiCorp’s ownership of new renewable resources will result in serious prejudice to the public interest, ratepayers, competitive markets, and non-utility generation owners.”²⁷ But NIPCC has failed to provide any convincing support for this conclusory statement. Rather, NIPPC merely asserts: “Without acting promptly, PacifiCorp will be allowed to move forward with an RFP *that will likely* increase PacifiCorp’s market power, barriers to competitive markets, and utility resource ownership.”²⁸

NIPPC suggests that allowing PacifiCorp to proceed with its April 11, 2016 RFP would erect new barriers to competitive markets.²⁹ But NIPPC offers no evidence or argument to support the adoption of a temporary rule that would apply universally to all Oregon RFPs even those governed by the Commission’s existing competitive bidding guidelines. In addition, NIPPC ignores that the Commission can deny rate recovery if it ultimately determines that PacifiCorp’s acquisition of new renewables was imprudent. The Commission’s existing guidelines, and its prudence review for rate recovery, provide adequate and time-tested protections against improper resource procurement.

Moreover, NIPPC relies on false allegations to argue that these protections have been inadequate. For example, NIPPC implies that PGE has circumvented the competitive bidding guidelines in the past.³⁰ In support of its assertion, NIPPC points to a 2010 request for waiver of the competitive guidelines and PGE’s acquisition of ownership resources in its last RFP

²⁷ NIPPC’s Petition at 11.

²⁸ *Id.* at 12 (emphasis added).

²⁹ *Id.*

³⁰ NIPPC Petition at 5.

processes.³¹ All of these activities by PGE were conducted *pursuant to* and strictly in accordance with the process set forth in the competitive bidding guidelines. PGE’s history is one of following the Commission’s regulatory processes– not circumventing them.

NIPPC also alleges that PGE “awarded itself” the Carty plant³² and Tucannon wind farm in its last RFPs. NIPPC is wrong. Abengoa (an IPP) won a bid to provide a turn-key project on the PGE-owned Carty site and the Tucannon wind farm was a purchase from Puget Sound Energy.

There is simply no compelling reason to immediately, and without regular process, adopt a temporary rule that second-guesses the protections established by the existing guidelines. In fact, as discussed above, adoption of NIPPC’s proposed rule could prejudice utility customers by preventing utilities from issuing RFPs in time to capture the full benefits of the PTC and by preventing an evaluation of all resource types to determine the lowest-cost lowest-risk options. Because NIPPC has not articulated a legitimate risk of serious prejudice to the public interest that will occur in the absence of a temporary rule prohibiting all utility acquisition of new renewables, the Commission should reject NIPPC’s proposed temporary rule.

H. In the Alternative, if the Commission Decides to Adopt a Temporary Rule it Should Modify the Proposed Rule to Allow Utilities to Own New Renewables Procured in Compliance with the Commission’s Existing Competitive Bidding Guidelines

For each of the reasons discussed above, PGE urges the Commission to deny NIPPC’s Petition and to refuse to adopt a temporary rule on ownership of new renewable resources. However, in the event the Commission decides to adopt a temporary rule, PGE urges the Commission to modify Section 2 of the proposed rule to state:

³¹ *Id.*

³² NIPPC opines that cost overruns at the PGE Carty plant may end up costing ratepayers tens of millions of dollars. At this point, it is premature to determine what, if any, costs might be paid for by PGE’s customers, particularly as many of the issues surrounding the Carty plant are the subject of litigation. NIPPC is simply speculating on outcomes. Such speculation should not be the basis to turn the competitive bidding guidelines on their head

(2) The above restriction shall not apply to electric company ownership or acquisition of any renewable energy resources acquired consistent with Commission competitive bidding guidelines, including any exceptions permitted thereunder.

This formulation will make it clear that a utility can acquire new renewable resources provided it does so through an RFP that complies with the Commission's existing competitive bidding guidelines (or qualifies for an exception under guideline 2). The Commission has established well-reasoned competitive bidding guidelines as the result of an extensive contested case proceeding in UM 1182. There is no compelling reason to abandon those guidelines at this stage. By modifying the proposed rule to allow utility ownership following compliance with the guidelines, the Commission can ensure least-cost, least-risk resource procurement while promoting the goal of diversity in the ownership of renewables. And, the Commission can do so without exceeding its statutory authority by prohibiting investor owned utilities from owning an entire class of generators.

III. CONCLUSION

For the reasons set forth above, PGE respectfully requests that the Commission reject the NIPPC Petition or, in the alternative, adopt the temporary rule with the modifications suggested by PGE.

DATED this 12th day of May, 2016.

Respectfully submitted,



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