1	BEFORE THE PUBLIC UTILITY COMMISSION		
2	OF OREGON		
3	UM 1396		
4	In the Matter of		
5 6	PUBLIC UTILITY COMMISSION OF OREGON	STAFF'S OPENING BRIEF	
7	Investigation into determination of resource sufficiency, pursuant to Order No. 06-538		
8		· ·	
9	Introduction		
10	Staff will summarize its position on each of the issues in the order set forth in the issues		
11	list. Staff clarifies or refines its position on certain issues as shown in response to the comment		
12	presented in the parties' testimony. As an overall theme, staff essentially agrees with		
13	PacifiCorp's (PPL) and Portland General Electric Company's (PGE) positions on each of the		
14	eight issues.		
15	1. Issue 1: How are periods defined?		
16	Staff agrees with PPL and PGE that the resource sufficiency period and the resource		
17	deficiency period are determined by the utility's Integrated Resource Plan (IRP). See generally		
18	Staff/100, Durrenberger/4-5; PPL/100. Warnken/2-3; PGE/100, Kuns-Drennan/5. The		
19	deficiency period begins at the time the IRP shows the utility needs to add a new base load		
20	resource (for which a "combined cycle combustion turbine" (CCCT) serves as the proxy plant		
21	for Oregon avoided cost purposes). The sufficiency period is the time up to the date the IRP		
22	indicates a base load resource addition is necessary.		
23 24	2. Issue 2: What is the definition of resource sufficiency/deficiency for avoided cost purposes? In what ways does resource sufficiency and deficiency differ from load/resource balance determinations?		
25	Staff's position on the first part of this Iss	ue is as stated in its response to Issue 1. Staff's	
26	position on the second part of this Issue is that load/resource balance is an IRP concept used to		
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1	determine the amount and timing of resources the amount and timing of resources needed on an		
2	annual basis to ensure sufficient energy and capacity is available to meet future system loads.		
3	See Staff/200, Durrenberger/4; PPL/100, Warnken/3; PGE/100, Kuns-Drennan/7-8. In other		
4	words, the utilities' energy and capacity load resource balances determine when the next base		
5	load resource is needed. Resource sufficiency/deficiency is an outcome of the IRP process as		
6	described in the response to Issue 1.		
7	3. Issue 3: What loads were used to compute the load forecast?		
8	A utility should use the same load forecasts as appear in its most recently acknowledged		
9	IRP. See Staff/100, Durrenberger/6-7; PGE/100, Kuns-Drennan/8-9.		
10	4. Issue 4: Is it appropriate to determine resource sufficiency for avoided cost		
11	filings in a different manner than is used to determine resource needs for the IRP planning process?		
12	Staff advocates that a utility should use its IRP as the basis for the resource		
13	sufficiency/deficiency determination and agrees with PPL's and PGE's testimony on this issue.		
14	See Staff/100, Durrenberger/7; Staff/200, Durrenberger/2-3; PPL/100, Warnken/6-7; PGE/100,		
15	Kuns-Drennan/9-11.		
16	of the of the state of the stat		
17	resource deficiency?		
18	After further review of the parties' testimony, staff refines its position on Issue 5. Staff		
19	agrees with PPL and PGE that both capacity and energy are important components of IRP		
20	planning. See generally PPL/100, Warnken/7-8; PPL/101, Warnken/2-4; PGE/100, Kuns-		
21	Drennan/11-12. Simply stated, an IRP considers the following three components: (1) an		
22	energy/resource balance; (2) a capacity/resource balance; and (3) a schedule for the addition of		
23	new resources. Component (3) is based upon and derives from Components (1) and (2). Staff'		
24	earlier testimony focused on the energy component (i.e. Component (1)]. Upon further		
25	reflection, staff finds PPL's and PGE's testimony persuasive that the more comprehensive		
26	approach is to consider both energy and capacity. Component (3), the schedule for the addition		
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1	of new resources, should be based upon and closely aligned with Components (1) and (2). See	
2	also Staff/102; Durrenberger/4-25 (staff witness Maury Galbraith testimony and supporting	
3	exhibits filed in UM 1129).	
4	6. Issue 6: How should resource energy and capacities be determined?	
5	Again, after review, staff finds PPL's and PGE's testimony (and the reasoning contained	
6	therein) on this issue to be persuasive: resource sufficiency and deficiency should be determined	
7	in the context of the IRP. See PPL/100, Warnken/8; PGE/100, Kuns-Drennan/12-13.	
8	7. Issue 7: What resources go into the determination of sufficiency/deficiency?	
9	The resources that are included in a utility's most recently acknowledged IRP are	
10	appropriate to consider for the determination of resource sufficiency/deficiency. See PPL/100,	
11	Warnken/8-10; PGE/100, Kuns-Drennan/13-14.	
12	8. Issue 8: How do multiple jurisdictional utilities calculate resource sufficiency?	
13	Multiple jurisdictional utilities should be analyzed on a whole-company basis. Staff/100,	
14	Durrenberger/11; PPL/100, Warnken/10.	
15 16	DATED this 4 day of July 2009.	
17	Respectfully submitted,	
18	JOHN R. KROGER	
19	Attorney General	
20	Michael	
21	Michael T. Weirich, #82425	
22	Assistant Attorney General Of Attorneys for Staff of the Public Utility	
23	Commission of Oregon	
24		
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1	CERTIFICATE OF SERVICE		
2	I certify that on July 9, 2009, I served the foregoing Staff Opening Brief upon all parties		
3	of record in this proceeding by delivering a copy by electronic mail and by mailing a copy by		
4	postage prepaid first class mail or by hand delivery/shuttle mail to the parties accepting paper		
5	service.		
6	W ANNALA, CAREY, BAKER, ET AL., PC	W IDAHO POWER COMPANY	
7	WILL K CAREY PO BOX 325	RANDY ALLPHIN PO BOX 70	
8	HOOD RIVER OR 97031 wcarey@hoodriverattorneys.com	BOISE ID 83707-0070 rallphin@idahopower.com	
9	W	CHRISTA BEARRY	
10	G. CATRIONA MCCRACKEN LEGAL COUNSEL/STAFF ATTY	PO BOX 70 BOISE ID 83707-0070 cbearry@idahopower.com	
11	610 SW BROADWAY - STE 308 PORTLAND OR 97205	BARTON L KLINE	
12	catriona@oregoncub.org	SENIOR ATTORNEY PO BOX 70 BOISE ID 83707-0070	
13	W CITIZENS' UTILITY BOARD OF OREGON ROBERT JENKS	bkline@idahopower.com	
14	610 SW BROADWAY STE 308 PORTLAND OR 97205	MICHAEL YOUNGBLOOD SENIOR PRICING ANALYST	
15	bob@oregoncub.org  W	PO BOX 70 BOISE ID 83707 myoungblood@idahopower.com	
16	COMMUNITY RENEWABLE ENERGY ASSOC.	myoungblood@idanopower.com	
	PAUL R WOODIN	W MODOWELL & DACKNED BC	
17	EXECUTIVE DIRECTOR 1113 KELLY AVE	MCDOWELL & RACKNER PC WENDY MCINDOO	
10	THE DALLES OR 97058	OFFICE MANAGER	
18	pwoodin@communityrenewables.org	520 SW 6TH AVE STE 830	
19	DAVISON VAN CLEVE	PORTLAND OR 97204 wendy@mcd-law.com	
17	IRION A SANGER	wendy@incariaw.com	
20	ASSOCIATE ATTORNEY	LISA F RACKNER	
2	333 SW TAYLOR - STE 400	ATTORNEY	
21	PORTLAND OR 97204	520 SW SIXTH AVENUE STE 830 PORTLAND OR 97204	
22	ias@dvclaw.com W	lisa@mcd-law.com	
کسا کسا	DEPARTMENT OF JUSTICE	w	
23	JANET L PREWITT ASSISTANT AG	OREGON DEPARTMENT OF ENERGY VIJAY A SATYAL	
24	NATURAL RESOURCES SECTION 1162 COURT ST NE	SENIOR POLICY ANALYST 625 MARION ST NE	
25	SALEM OR 97301-4096 janet.prewitt@doj.state.or.us	SALEM OR 97301 satyal.vijay.a@state.or.us	
26			

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1 2 3	OREGON PUBLIC UTILITY COMMISSION ED DURRENBERGER PO BOX 2148 SALEM OR 97308-2148 ed.durrenberger@state.or.us	PORTLAND GENERAL ELECTRIC COMPAN' J RICHARD GEORGE ASST GENERAL COUNSEL 121 SW SALMON ST 1WTC1301 PORTLAND OR 97204 richard.george@pgn.com
4	W PACIFIC POWER & LIGHT JORDAN WHITE	RFI CONSULTING INC RANDALL J FALKENBERG PMB 362 8343 ROSWELL RD SANDY SPRINGS GA 30350 consultrfi@aol.com
5	825 NE MULTNOMAH STE 1800 PORTLAND OR 97232	
6	jordan.white@pacificorp.com	
7	W PACIFICORP, DBA PACIFIC POWER PACIFIC POWER OREGON DOCKETS	W RICHARDSON & O'LEARY PLLC PETER J RICHARDSON PO BOX 7218 BOISE ID 83707 peter@richardsonandoleary.com
8	825 NE MULTNOMAH STREET, STE 2000 PORTLAND OR 97232 oregondockets@pacificorp.com	
9		
10	PORTLAND GENERAL ELECTRIC RANDALL DAHLGREN RATES & REGULATORY AFFAIRS	
11	121 SW SALMON ST 1WTC 0702 PORTLAND OR 97204	
12	pge.opuc.filings@pgn.com	
13		1.0
14		Bloma Lave
15		Neoma Lane
16		Legal Secretary Department of Justice
17		Regulated Utility & Business Section
18		
19		
20		
21		
22		
23		
24		
25		
26		