

ELLEN F. ROSENBLUM
Attorney General



FREDERICK M. BOSS
Deputy Attorney General

DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

June 19, 2017

Oregon Public Utility Commission
ATTN: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301

RE: OPUC Docket UE 323 – Errata Filing
In the Matter of PacifiCorp, dba Pacific Power, 2017 Transition Adjustment Mechanism

Dear Filing Center:

Enclosed for electronic filing please find Public Utility Commission of Oregon Staff's (Staff) correction to Staff/300, Anderson/9 of Staff's Opening Testimony. For the parties' convenience, both a red-line and clean version are attached.

Sincerely,

Handwritten signature in blue ink that reads "Kaylee Klem".

Sommer Moser
Assistant Attorney General
Business Activities Section

Enclosures

PJR/pjr/#8333712

ISSUE 3: AVIAN ADJUSTMENT

Q. Please describe the avian curtailment expense.

A. In UE 296, ICNU raised an issue with an adjustment to the GRID power cost model that accounted for reduced output at two wind sites, Glenrock and Seven Mile Hill.²¹ The Commission rejected ICNU's argument in that docket; however in UE 307 new evidence showed that the Company constructed the two wind sites in an avian-sensitive area while knowingly violating federal law and ignoring the advice of federal agencies and putting the Company at risk of violating federal law.²² In UE 307, Staff recommended the Commission reject the model change, resulting in a downward adjustment of approximately \$64,000 (Oregon-allocated) to the Company's proposed NPC associated with the loss of energy from avian protection curtailments.²³ The Commission adopted Staff's adjustment based on Staff's presentation of evidence that PacifiCorp knew or should have known at the time of siting that there were relevant U.S. Fish and Wildlife Service (USFWS) guidelines for siting wind in avian-sensitive areas that could impact the output of these facilities.²⁴ Staff's adjustment sought to hold ratepayers harmless from PacifiCorp's decision to site the wind projects in avian-sensitive areas without accounting for the costs of compliance with federal guidance.

²¹ UE 296 - ICNU/100, Mullins/4.

²² Staff's UE 307 Opening Testimony. Staff/200, Kaufman/18.

²³ Order 16-418 at 2.

²⁴ Order 16-482 at 19-20.

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