

CASE: UM 1802
WITNESS: BRITTANY ANDRUS

**PUBLIC UTILITY COMMISSION
OF
OREGON**

STAFF EXHIBIT 300

Cross-Response Testimony

August 21, 2017

1 **Q. Please state your name, occupation, and business address.**

2 A. My name is Brittany Andrus. I am a Senior Utility Analyst employed in the
3 Energy Resources and Planning Division of the Public Utility Commission of
4 Oregon (OPUC). My business address is 201 High Street SE., Suite 100,
5 Salem, Oregon 97301.

6 **Q. Have you previously provided testimony in this case?**

7 A. Yes, I provided testimony on May 5, 2017 in response to PacifiCorp's January
8 2017 initial opening testimony. I also provided testimony on August 14, 2017 in
9 response to PacifiCorp's supplemental opening testimony filed July 21, 2017.

10 **Q. What is the purpose of your testimony?**

11 A. I provide brief responses to the August 14, 2017 response testimony of
12 Industrial Customers of Northwest Utilities (ICNU) and the testimony of the
13 Renewable Energy Coalition (Coalition) and Community Renewable Energy
14 Association (CREA).

15 **Q. Please summarize the Staff positions.**

16 A. Staff takes the following positions, which have not changed since the
17 August 14, 2017 testimony:

- 18 1. Questions regarding the year of PacifiCorp's renewable resource
19 deficiency, and the avoided cost to be used during that deficiency
20 period, are out of the scope of this docket, which is to address whether
21 and how to calculate nonstandard renewable avoided cost prices.
22
- 23 2. Nonstandard renewable avoided cost prices should be offered to any
24 QF technology, and should not be restricted to the next "like" resource
25 in the IRP. Because PacifiCorp states repeatedly that its PDDRR
26 methodology cannot be used for all QF technologies, the Commission
27 should direct PacifiCorp to offer nonstandard renewable avoided cost
28 prices using the method employed prior to the opening of this docket,

1 which is that PacifiCorp is allowed to adjust standard avoided cost
2 prices based on the FERC-announced factors on which avoided costs
3 are based.
4

5 3. The market floor should be retained during the sufficiency period until
6 such time as PacifiCorp demonstrates that a specific QF is unable to
7 get to a market for sale, or that it creates the situation in which
8 PacifiCorp is forced to back down a thermal resource.
9

10 4. Only QFs with executed contracts should be included in the queue
11 when calculating a nonstandard avoided cost price. There may be
12 merit in examining the possibility of establishing milestones and other
13 requirements in the nonstandard pricing and contract process, but Staff
14 does not believe that the process should be subject to change until
15 issues of avoided resources and deficiency have been addressed.
16

17 **Q. Please explain whether parties responding in this round of testimony**
18 **take positions similar to or different from Staff.**

19 A. The Industrial Customers of Northwest Utilities, the Renewable Energy
20 Coalition (REC), and Community Renewable Energy Association (CREA) also
21 filed testimony on August 14, 2017. ICNU recommends that the “Commission
22 keep the current pricing stream in place for renewable fixed avoided cost
23 prices, with a 2028 RPS deficiency period” until “there is greater clarity
24 surrounding the new wind in the Company’s IRP.”¹ Coalition/CREA and
25 ICNU urge the Commission to reject PacifiCorp’s “like-for-like” proposal set out
26 in its initial testimony and to reject PacifiCorp’s revised proposal under which
27 resources procured for economic reasons, ahead of PacifiCorp’s regulatory
28 compliance need, would not impact PacifiCorp’s avoided cost prices.² The
29 Coalition/CREA recommend the Commission “simply direct PacifiCorp to use
30 its PDPDDR methodology to generate a non-standard avoided cost rate

¹ ICNU/200, Mullins/4.

² REC-CREA/200, Lowe-Skeahan/14.

1 according to existing Commission policy, and save these policy questions for a
2 more appropriate forum.”³ ICNU recommends that the “commission keep the
3 current pricing stream in place for renewable fixed avoided cost prices, with a
4 2028 RPS deficiency period.”⁴

5 **Q. Does Staff agree with the testimony of ICNU and the Coalition/REC?**

6 A. Staff agrees that PacifiCorp’s proposals should be rejected and notes that the
7 rationale offered by the Coalition/REC is similar to that provided by Staff.

8 However, Staff does not agree that the Commission should allow PacifiCorp to
9 continue with the PDDRR method. PacifiCorp’s testimony reflects that the
10 PDDRR method has limited adaptability and cannot be used for all resource
11 types. In this circumstance, Staff recommends that the Commission require
12 PacifiCorp to use a method that is adaptable and can be used for all resource
13 types, which is to base non-standard prices on the standard price, with
14 adjustments to take into account the individual characteristics of the contracting
15 QF as allowed under FERC’s rules.

16 **Q. Does this conclude your testimony?**

17 A. Yes.

³ REC-CREA/200, Lowe-Skeahan/14.

⁴ ICNU/200, Mullins/4.