

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: May 31, 2022**

REGULAR  X  CONSENT \_\_\_\_\_ EFFECTIVE DATE  June 1, 2022

**DATE:** May 23, 2022

**TO:** Public Utility Commission

**FROM:** Ted Drennan

**THROUGH:** Bryan Conway, Caroline Moore, and Scott Gibbens **SIGNED**

**SUBJECT:** PACIFIC POWER:  
(Docket No. UM 1729(6))  
Update to Standard Avoided Cost Schedule for Qualifying Facilities.

**STAFF RECOMMENDATION:**

Staff recommends that the Public Utility Commission of Oregon (Commission) issue an order suspending for further investigation Pacific Power's (PacifiCorp or Company) update to its Standard Avoided Cost rates filed on April 28, 2022.

**DISCUSSION:**

Issue

Whether the Commission should suspend PacifiCorp's post-Integrated Resource Plan (IRP) revisions to its Standard Avoided Cost Schedule, which contain the power prices paid to QFs to allow more time for Staff and stakeholders to review filing.

Applicable Law

OAR 860-029-0040(1) requires utilities to file updated avoided cost prices for qualifying facilities under the Public Utility Regulatory Policies Act of 1978 within 30 days of Commission acknowledgement of a public utility's IRP to be effective 30 days after filing.<sup>1</sup>

OAR 860-029-0085(3) allows for the Commission to suspend the avoided cost rates during review.

---

<sup>1</sup> OAR 860-029-0040(4).

## Analysis

### *Background*

On March 29, 2022, at a Special Public Meeting, the Commission acknowledged the Company's 2021 IRP. As required by OAR 860-029-085(1), the Company filed their 2022 updated avoided cost schedules on April 28, 2022.

The Company's 2022 filing includes updates based on its acknowledged IRP, except PacifiCorp used their Official Forward Price Curve (OFPC) dated March 2022 in calculating their updated avoided costs.

### *Issues*

Staff and other stakeholders have identified portions of PacifiCorp's filing that warrant further examination. Issues for further examination identified by Staff or Stakeholders include:

1. Off-peak rates greater than on-peak rates;
2. Proposed rates in deficiency period that are lower than currently established rates;
3. Gas prices potentially not reflecting recent events, i.e., Russian invasion of Ukraine; and
4. Fixed Standard Avoided Cost rates that are greater than Fixed Renewable Avoided Cost rates.

Staff believes that the current 30-day time frame for approval of PacifiCorp's updated avoided cost rates would not allow for adequate time to address the matters raised by both Staff and stakeholders.

## Conclusion

Staff believes additional time for review of PacifiCorp's update is necessary. In addition to Staff's concerns, stakeholders have expressed the desire to raise issues with the filing, as posed above. Given this, Staff recommends that the avoided cost update filing not be allowed to go into effect on June 1, and that the Commission allow additional time for review.

## **PROPOSED COMMISSION MOTION:**

Suspend Pacific Power's update to its Standard Avoided Cost Schedule pending an investigation into the proposed avoided cost rates.