

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1754**

In the Matter of)	
)	
PACIFICORP, dba PACIFIC POWER)	
)	SMALL BUSINESS UTILITY
2017-2021 Renewable Portfolio Standard)	ADVOCATES' COMMENTS
)	
Implementation Plan)	
)	

SBUA appreciates the opportunity to submit comments regarding PacifiCorp’s Oregon Renewable Portfolio Standard (“RPS”) Implementation Plan 2017-2021 OAR 860-083-0400 Compliance Filing (“Plan”) submitted as required by January 1, 2016. SBUA has demonstrated in at least one other docket the impacts of renewable energy projects on small business.¹ Impact is both direct where a business is involved in developing the energy and indirect where the business provides support and other services in the locality.

SBUA intervenes in this docket to review PacifiCorp’s Plan on behalf of small business and to offer comments. As stated in the Petition to Intervene, SBUA membership includes PacifiCorp d.b.a. Pacific Power customers including those with Schedule 23 electric service using <31 kW. Comparatively, it appears from the 2014 General Rate Case stipulated that general service customers, including Schedules 23 and 28, numbered approximately 84,000 customers, required 3,100,000 MWh, slightly more electricity than the industrial customers, Schedule 48, represented in that docket.² And it appears that the smaller commercial customers, Schedules 23 and 28, may have experienced a greater proportional rate hike in 2014, at 2.4% and 2.35% respectively, than other customer classes. *Id.* The larger number of smaller commercial customers and their corresponding electricity requirements support a strong interest in achieving for smaller commercial utility customers effective Renewable Portfolio Standard implementation within Oregon, particularly if these customers are paying a higher percent rate.

Given this background and mindful of the delay in filing these comments, SBUA offers four points:

1. Regarding OAR 860-083-0400(2)(a), according to PacifiCorp RPS Planning filing requirements OAR 860-083-0400, the annual megawatt-hour target for compliance is 15% in 2017 or 1,918,995 MWh, and 20% by 2021, or 2,566,252. These numbers are comparable to the com-

¹ UM 1610 <http://apps.puc.state.or.us/edockets/docket.asp?DocketID=17718>

² UE 263 <http://edocs.puc.state.or.us/efdocs/HAR/ue263har83528.pdf>, Table A-1

binned number provided above of Schedule 23 and 28 customers. While it is not required under these rules, SBUA would be interested to learn how many sales of Blue Sky and other renewable energy purchase programs are made generally and also to small commercial customers at what retail rates.

2. Regarding the Integrated Resource Plan (“IRP”) as it relates to this planning per OAR 860-083-0400(6)³:

(a) SBUA understands that the utility’s IRP is pending before the Commission. Figure 7.20 on IRP page 63 shows increasing Oregon load 2015-2033, though not clear in which customer categories. Figure 7.7 p 149 seems to indicate a doubling of wholesale electricity prices even without including 111(d). Small nonresidential customers stand to pay substantially increased rates regardless of RPS compliance. SBUA would be interested in learning of correlations existing between RPS and rate spread, for example, according to changes in load.

(b) Oregon-based PacifiCorp customers risk paying for benefits enjoyed out of state. The 2015 IRP p 19 indicates that with the Energy Imbalance Market, the market immediately began generating benefits for customers with significant economic transfers to California occurring throughout the month of November and December with volumes exceeding 150,000 MWh. It also showed that near-term procurement activities focused on three areas: natural gas supply and transportation, the purchase and sale of shale, natural gas, coal, none of which are in Oregon and all are in neighboring states. Small business seems to risk paying electricity that is produced out of state and sending any business related to this electricity production out of state. Of relevance is that SBUA members include residential and commercial construction, food and dining, cleaning services, small business support services and office space, and community renewable energy, so the impact of procuring electricity from out of state is experienced more by small commercial, such as Schedule 23 customers.

(c) Regarding the rate impact from RPS requirements, SBUA notes that it would appreciate being able to utilize paid expert assistance to interpret IRP information such as that found in Figure 8.18: Figure 8.18 Customer Rate Impacts Benchmarked to Case C05a-3 as it pertains to the RPS.

(e) The risk to consumer rates seems higher given increased RPS where, as stated in the 2015 IRP, in developing resource portfolios for the 2015 IRP, PacifiCorp includes estimated transmission integration and transmission reinforcement costs specific to each resource portfolio. These costs are influenced by the type, timing, and location of new resources as well as any assumed resource retirements, as applicable, in any given portfolio. As stated in the Oregon Senate Business and Transportation Committee Hearing on 2/22/16, most PacifiCorp resources are located in

³ SBUA bases comments on the PacifiCorp IRP accessed at:
http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Integrated_Resource_Plan/2015IRP/PacifiCorp_2015IRP-Vol1-MainDocument.pdf

states w/greater coal deposits and the map demonstrates greater transmission build out in these areas. One way to demonstrate a mitigation of this risk is to include in its list of projects used to meet its RPS, the projects based in Oregon, and also the different community-based projects. As focused planning and compliance documents, the RPS Planning documents seem to be natural contexts to present the extent to which Oregon goal under 469A.210 of 8% community-based renewables is met or not.

To conclude, SBUA is fortunate to work in a state where public and private sector endeavor together to decrease risks posed by fossil-fuel generated electricity. It is hoped that these comments provide some perspective of how some in the small commercial sector see this RPS Compliance plan, and how this plan can be useful to interested ratepayers.

Respectfully submitted,

/s/ Diane Henkels

Date: 2/24/16

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CERTIFICATE OF FILING SERVICE

I hereby certify that on February 24, 2016, I served on the following a copy of SBUA'S COMMENTS in UM 1754 Pacifcorp's 2017-2021 Renewable Portfolio Standard Implementation Plan.

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Dated: February 24, 2016

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