

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 307

In the Matter of)	
)	CITIZENS' UTILITY BOARD
PACIFICORP, dba PACIFIC POWER,)	OF OREGON'S MOTION TO TAKE
)	OFFICIAL NOTICE AND SUPPLEMENT
2017 Transition Adjustment Mechanism.)	THE ADMINISTRATIVE RECORD
_____)	

Pursuant to OAR §860-001-0460, the Citizens' Utility Board of Oregon ("CUB") respectfully requests that Administrative Law Judge ("ALJ") Rowe take official notice of CUB's supplemental evidence and supplement the administrative record in this docket with the attached article published in The Bend Bulletin, *Pacific Power extends solar-project timeline*.¹ Pursuant to OAR §860-001-0460(1)(a), the Commission or ALJ may take official notice of "[a]ll matters of which the courts of the State of Oregon take judicial notice." OAR §860-001-0460(1)(e) enables the Commission or ALJ to take official notice of "[g]eneral, technical, or scientific facts within the specialized knowledge of the agency." CUB makes reference to the article in question on page 17 of its Response Brief filed today in this docket. Good cause exists to allow CUB to supplement the administrative record as the information sought is highly relevant to the issues in this proceeding. Due to the time-sensitive nature of this filing, CUB has been unable to consult with other parties in this docket regarding this motion. However, CUB

¹ Joseph Ditzler, *Pacific Power extends solar-project timeline*, The Bend Bulletin (September 25, 2016), available at <http://www.bendbulletin.com/business/4679452-153/pacific-power-extends-solar-project-timeline>.

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has contacted ALJ Rowe, and does not dispute that parties may reserve the right to respond to CUB's motion.

Dated this 26th day of September, 2016.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael P. Goetz".

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I. Pacific Power extends solar-project timeline

By Joseph DitzlerThe Bulletin Published Sep 25, 2016 at 12:02AM

Pacific Power announced Sept. 12 it acquired future renewable-energy credits from four solar power projects in Central and Southern Oregon, projects whose construction the company expected would be complete by year's end.

That schedule was unlikely, said officials in county planning departments, and Pacific Power said Thursday the project developer, [Coronal Development](#), of Charlottesville, Virginia, had pushed the completion date forward to first quarter 2017.

Two projects in Jefferson County have county approval but have not broken ground. No application has been filed for a project in Deschutes County just outside Bend. The fourth project, near Bly, in Klamath County, was approved in February, but no building permits have been issued.

Solar power facilities typically don't take long to build, said Ry Schwark, Pacific Power spokesman. Under its contract, if Coronal misses the completion date, it must pay the difference if Pacific Power has to buy power at a higher cost on the energy market. Power from alternative sources like wind and solar is typically higher than power generated from gas or coal. Typically, the cost of renewable power adds 5 cents to every \$100 of a consumer bill, Schwark said.

Utilities are required, under the federal Public Utility Regulatory Policies Act of 1978, to accept renewable power from qualified sources. Missed construction deadlines may add to consumer costs because utilities forecast their rates based on power available in the future, said Bob Jenks, executive director of the Citizens' Utility Board of Oregon, a consumer advocacy group.

Schwark said Pacific Power readjusts its forecasts several times a year, but the company objects to state and federal laws that mandate long-term purchase agreements with renewable power generators.

The four Coronal solar projects, whose credits Pacific Power recently acquired, would produce a total 40 megawatts of electricity, about enough to power 10,000 homes annually.

Oregon in 2007 required Oregon's three largest electric utilities — Pacific Power, Portland Gas & Electric and the Eugene Water & Electric Board — to draw an increasing amount of their power from renewable sources, starting with 5 percent in 2011 up to 25 percent in 2025. The Legislature this year increased that amount to 50 percent by 2040. The same law, the [Clean](#)

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[Electricity and Coal Transition Act](#), mandates that Oregon utilities do away with coal-powered energy sources entirely by 2035.

The power companies meet that requirement by obtaining credit in the form of Renewable Energy Certificates from qualified providers. In addition to the certificates from Coronal's four solar projects, Pacific Power announced it had also acquired credits from an existing wind-energy project in Colorado and two existing solar plants in Utah. PacifiCorp, the parent company of Pacific Power, previously agreed to buy all the power those plants produce.

The renewable-energy credits Pacific Power will obtain when the Oregon solar and Colorado wind projects come on line, combined with the existing plants, will allow the company to meet its obligation under the heightened Oregon Renewable Portfolio Standards until 2028, Schwark said.

In Deschutes County, Coronal Development plans a 10-MW facility called Bear Creek Solar Center on a site along Bear Creek Road between Torkelson and Ward roads, according to [Renewable Northwest](#), an alternative energy advocacy group that tracks renewable energy projects.

With no development plan submitted, Coronal probably would not have started construction on the Bear Creek facility this year, said Peter Gutowsky, planning manager with the county Community Development Department.

He said he's heard only rumors about the project. Coronal, when it does submit its plans, will be behind an increasing number of applications of all types, he said. The normal review process includes a 30-day application completeness check, along with a public hearing, which is likely given the size and complexity of a solar project, Gutowsky said.

"It'll be months," he said Wednesday.

In Jefferson County, the planning commission in April approved conditional-use permits for the Adams and Elbe solar power facilities, north and east of Madras, respectively. Both 90-acre sites may also produce up to 10 MW each. Neither project has moved forward beyond obtaining permits to install driveways, said county Planning Technician Tanya Cloutier.

Coronal did not respond to a message left Wednesday seeking comment. Irion Sanger, a Portland attorney who specializes in energy law and represents Coronal in Oregon, said he could not comment on Coronal's projects in Central Oregon. However, he provided a prepared statement Thursday from the company.

"The development of a solar energy project takes time and requires careful planning and close collaboration with both the utility and the local community. That process can't be rushed. We are very pleased with the progress we're making and grateful for the opportunity to be a part of Oregon's clean energy future," the statement reads.

When renewable power doesn't materialize on schedule, utilities may still pass the higher cost on to consumers, even if the utility pays less for replacement power on the energy market, said Jenks, of the Citizens' Utility Board.

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“We’re not saying they shouldn’t sign these contracts; a lot of good development has happened because of (the act),” he said. But, he said, “some (projects) don’t materialize; some don’t come in on the original schedule. We think the company needs to do a better job forecasting what’s going to happen” in the short term.

Schwark said Pacific Power realigns its forecasts several times a year, but still has to abide by long-term contracts that don’t account for short-term fluctuations in the energy market, which may allow for lower costs. Oregon, under the 1978 federal law, requires 20-year contracts on power-purchase agreements and sets a 10-MW cap on renewable-power projects that the utility must connect to its grid.

PacifiCorp argued for two-year contracts and a 100-kilowatt cap. The [Oregon Public Utility Commission](#) proposed lowering the threshold to 3 MW but let stand the 20-year contract requirement.

“Our concern with the way (the Public Utility Regulatory Policies Act) was structured is, it’s not in best interest of our customers,” Schwark said Thursday. “We wanted more flexibility because the market is shifting so quickly.”

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