

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1953

In the Matter of)) PORTLAND GENERAL ELECTRIC) COMPANY)) Investigation into Proposed Green Tariff) Phase II) <hr style="width: 50%; margin-left: 0;"/>)) CROSS-EXAMINATION STATEMENT and CROSS-EXAMINATION EXHIBITS OF NORTHWEST & INTERMOUNTAIN POWER PRODUCERS COALITION
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Pursuant to Administrative Law Judge (ALJ) Ruling of September 9, 2019, the Northwest and Intermountain Power Producers Coalition (“NIPPC”) submits this cross-examination statement for the Commission hearing scheduled on September 29, 2020.

Per prior agreement with Portland General Electric Company (“PGE”), PGE will make available a panel of witnesses Karla Wenzel, Josh Halley and Brian Faist. NIPPC intends to cross examine this panel with respect to PGE testimony including PGE/500, PGE/600-606, PGE/700-703 and PGE/800-802, as well as with respect to the data responses identified as NIPPC Exhibits below.

NIPPC anticipates it will require approximately two hours to cross examine the PGE panel, but requests flexibility in recognition of (1) the remote nature of this hearing due to the continued state of emergency due to the Coronavirus outbreak in Oregon¹ and (2) the anticipated need to address both confidential and highly confidential documents.

NIPPC does not anticipate cross examination of witnesses for any other party, but reserves the right to cross examine any witnesses that are cross-examined by other parties, or questioned by the ALJ or the Commissioners during the hearing with respect to any topic on which such witness has testified (whether or not raised on cross by other parties), as well as any other PGE witness made available for cross examination at the request of other parties.

NIPPC may use or move for admission into the record of this proceeding the following exhibits at the hearing, copies of which are attached hereto.

Cross Examination Exhibit	Description
NIPPC/400	PGE Data response to Calpine Request DR008
NIPPC/401	PGE Data response to Staff Request 0038

¹ See, e.g., Oregon Executive Order No. 20-38, extending the state of emergency through November 3, 2020.

NIPPC/402	PGE Data response to Staff Request 0034
NIPPC/403	PGE Data response to Staff Request 0037
NIPPC/404	PGE Data response to Staff Request 0039
NIPPC/405	PGE Data response to NIPPC Request 002
NIPPC/406	PGE Data response to NIPPC Request 006
NIPPC/407	PGE Data response to NIPPC Request 009
NIPPC/408	PGE Data response to Calpine Request 007
NIPPC/409	PGE Data response to NIPPC Request 007
NIPPC/410	PGE Data response to NIPPC Request 007, att B. CONFIDENTIAL
NIPPC/411	PGE Data response to Staff Request 027
NIPPC/412	PGE Data response to NIPPC Request 008(Second Supplemental - redacted)
NIPPC/413	PGE Data response to Staff Request 028
NIPPC/414	PGE Data response to Staff Request 040
NIPPC/415	PGE Data response to Staff Request 042
NIPPC/416	PGE Data response to Calpine Request 018
NIPPC/417	PGE Data response to Calpine Request 015
NIPPC/418	PGE Data response to NIPPC Request 008a (HIGHLY CONFIDENTIAL)

DATED this 22th day of September, 2020.

Respectfully submitted,

/s/ Carl Fink

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One of counsel for the Northwest & Intermountain Power Producers Coalition.

September 18, 2019

TO: Gregory M. Adams
Richardson Adams, PLLC

FROM: Jay Tinker
Director, Rates and Regulatory Affairs

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to Calpine Data Request No. 008
Dated September 4, 2019**

Request:

Does PGE share with ESSs data available to PGE regarding individual customers' level of participation in PGE's green energy programs procuring unbundled RECs for customers, and the level of expenditure of such customers in such programs? If not, does PGE agree that it possesses information related to such customers' financial commitment to green energy programs not available to ESSs?

Response:

Yes, PGE publicly shares individual customers' enrollment in and platinum, gold, and silver-level commitments to its unbundled REC programs. PGE does not share, publicly or directly with ESSs, more granular MWh data regarding individual customers' level of participation.

Yes, PGE possesses information related to such customers' financial commitment to green energy programs. Nevertheless, PGE used publicly available information about those commitments, and about municipal clean energy targets, to prospect interest in the Green Tariff.

July 26, 2019

TO: John Crider
Public Utility Commission of Oregon

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 038
Dated July 12, 2019**

Request:

PGE/500 Sims-Tinker/28: 7-10. What does PGE consider to be a disruption of the competitive market? For example, if the Company's VRET offering results in other suppliers changing their product offerings, would this qualify as a disruption to a competitive market?

Response:

PGE would consider a disruption of the market to be a supplier using an unfair advantage as a means to create a product that other suppliers cannot offer. If PGE's green tariff results in other suppliers changing their product offerings to compete, PGE would view this as a normal occurrence in a competitive market and not a disruption to a competitive market.

July 26, 2019

TO: Kay Barnes
Public Utility Commission of Oregon

FROM: John Crider
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 034
Dated July 12, 2019**

Request:

PGE/500 Sims-Tinker/24:1-8. Does the Company agree that cost-shifting is the only possible cause of a VRET providing lower costs to a customer other than direct access? If no, please explain.

Response:

PGE believes that when it ensures no cost-shifting with a green tariff, then stakeholders need not be concerned that the green tariff is disrupting the competitive marketplace.

PGE does not believe that cost-shifting is the only possible cause of a green tariff providing lower costs to a customer than Direct Access. Different efficiencies in administration and overhead, different levels of risk and return, and different timing of resource procurement are other factors that may result in different costs of green tariff programs and Direct Access programs.

July 26, 2019

TO: John Crider
Public Utility Commission of Oregon

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 037
Dated July 12, 2019**

Request:

PGE/500 Sims-Tinker/28:7-10. Please explain what the Company envisions as an improved product to compete in the competitive market. Please provide an explanation as to how ESS's fit in the competitive market assumed by PGE.

Response:

An "improved product" would need to be conceived by an ESS, not by PGE. PGE's referenced testimony highlights that, in a competitive market, a supplier may build on an existing product or offer a redesigned product to compete with another supplier. The more product options there are, the better for the consumer. Also, in the case that there are more product options driving renewable development, the better for society.

With the establishment of Direct Access, the OPUC invited ESSs into Oregon to be suppliers of energy products, alongside the regulated utilities, in a competitive marketplace. In that competitive marketplace, it is the ESS's role to create compelling products for customers alongside those offered by the utility. A defining feature of a competitive marketplace is that suppliers need to "compete."

July 26, 2019

TO: John Crider
Public Utility Commission of Oregon

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 039
Dated July 12, 2019**

Request:

Keyword: VRET

PGE/500 Sims-Tinker/28:16-19. Please explain PGE's view on how additional benefits being attributed to Direct Access would create a marketplace with less attractive options for customers.

Response:

The referenced testimony discusses the condition from Order No. 16-251 that requires "mirroring" of terms and conditions between green tariffs and Direct Access. PGE advocates removing this equivalency requirement because it implies unfairly attributing benefits to Direct Access. This would give ESSs an undue advantage in their product offerings, which would stifle utility innovation of green tariff product offerings and thus reduce the diversity of products available to customers. This disrupts the competitive marketplace and is an undesirable result for customers.

June 22, 2018

TO: Carl M. Fink
Blue Planet Energy Law, LLC

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to NIPPC Data Request No. 002
Dated June 08, 2018**

Request:

Reference PGE Exhibit 201, page 2, “Applicability”, and PGE Exhibit 200, p. 4, lines 19-23:

- a. Please explain in detail why PGE chose 30 kW for a threshold to participate in the green tariff program. Did PGE consider or perform any analysis of anticipated impact on the program from selecting a higher or lower threshold? If so, please provide.**
- b. Is PGE intending to contemporaneously lower the threshold for its Direct Access Programs to 30 kW? If not, please describe how selection of this threshold is consistent with the obligation for green tariff terms to mirror Direct Access offerings.**

Response:

- a. Residential customers and nonresidential customers 30 kW and below have portfolio options available within Schedules 7 and 32 with renewable options as required by ORS 757.603. The green tariff is meant to be available to those customers not covered by the renewable portfolio options.
- b. No. PGE does not intend to lower the threshold for Direct Access Programs, as the proposed green tariff does not represent an opt-out from cost of service rates. Currently, all nonresidential customers are eligible to purchase electricity from an alternate provider.¹ This opt-out selection is made during an annual window. Customers with greater than 1aMW of load are eligible to opt-out for multiple years at a time, while customers who are below that threshold must select their direct access participation on a yearly basis.

¹ https://www.puc.state.or.us/Pages/electric_restruc/consumer/nonres.aspx

September 11, 2020

TO: Carl M. Fink
Blue Planet Energy Law, LLC

FROM: Karla Wenzel
Manager, Regulatory Strategy and Initiative

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to NIPPC Data Request No. 006
Dated August 28, 2020**

Request:

Reference PGE Exhibit 800, p. 12, lines 3-7:

- a Please specify the “type” of customer demand for a VRET.
- b. Please specify the “amount” of customer demand for a VRET

Response:

The type of customer demand for the VRET is the customer demand for a type of VRET – product design attributes like generating resource type, term of commitment, and other attributes.

The amount of customer demand is the number of customers interested in the VRET and the amount of load that customers were interested in enrolling in the VRET.

After tranche 1 of the GEAR was approved and made available, PGE gained knowledge of the specific amount of MWh of demand that would sign up for VRETs and the appeal of the design, both the PGE Supply Option, which filled in just over three minutes, and the Customer Supply Option. For more information on Phase 1 demand, see PGE Exhibit 600, pages 3-4, and PGE Exhibit 601.

September 11, 2020

TO: Carl M. Fink
Blue Planet Energy Law, LLC

FROM: Karla Wenzel
Manager, Regulatory Strategy and Initiative

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to NIPPC Data Request No. 009
Dated August 28, 2020**

Request:

Reference PGE Exhibit 800, p. 48, line 11

- a. Please state the “existing and known” customer demand. Provide all analysis used to calculate this demand. Provide all correspondence with prospective customers related to this demand. Please provide all documents, communications and analysis regarding this existing and known demand.

Response:

PGE has not “calculated” or “analyzed” demand for the GEAR. Our understanding of that demand is based on the realized customer demand for tranche 1. Specifically, the fact that the PGE Supply Option filled in just over three minutes and that there is a queue for the Customer Supply Option that is at least twice the remaining amount (140 MW) available under the existing cap, informs PGE’s view of existing and known customer demand.

PGE otherwise objects to this request to the extent it seeks correspondence with prospective customers on the basis that it seeks protected customer information. See also PGE’s response to NIPPC Data Request No. 007, Part E.

September 18, 2019

TO: Gregory M. Adams
Richardson Adams, PLLC

FROM: Jay Tinker
Director, Rates and Regulatory Affairs

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to Calpine Data Request No. 007
Dated September 4, 2019**

Request:

Reference PGE/500, Sims-Tinker/6: 1-2, stating, “Customers filled the subscription window for the 100 MW available in this option in under two minutes.” Did PGE contact individual customers in the Company-Procured PPA option or the Customer-supplied PPA option before the enrollment window opened to alert them to the program or to encourage that they enroll? If so, please identify the metrics that PGE used to determine which customers to contact, e.g., all eligible customers or some subset of customers such as customers already enrolled in PGE’s unbundled REC programs.

Response:

Yes, PGE contacted specifically those individual customers who had been enquiring and engaging with PGE about green tariff programs. PGE also contacted customers that were publicly known to be subscribers of green products.

In April 2018, PGE announced that it was seeking approval for its Green Tariff in a news release. After Commission Order No. 19-075 approved the Green Tariff in March 2019, PGE posted a description of the Customer Supply Option including Power Purchase Agreement minimum requirements, along with an email contact for more information.

Customer demand is what led PGE to develop the green tariff, and PGE worked directly with customers in the development of the program and throughout the regulatory processes of UM 1690 and UM 1953. PGE/100 contains letters from several of these customers.

September 11, 2020

TO: Carl M. Fink
Blue Planet Energy Law, LLC

FROM: Karla Wenzel
Manager, Regulatory Strategy and Initiative

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to NIPPC Data Request No. 007
Dated August 28, 2020**

Request:

Reference PGE Exhibit 800, p. 17, lines 2-4:

- a. Please specify the total number of customers that formally requested service under the GEAR program for Phase 1.
 - i. Please identify all such customers.
- b. Of the total number of customers identified in response to Question 2.a., how many of such customers were not previously customers on PGE's system?
 - i. Please identify all such customers.
- c. If any customers identified in response to Question 2.a., were already customers on PGE's system, did PGE assign new customer representatives to work with such customers on GEAR issues? For the purposes of this question, please interpret the term "customer representative" as any employee of PGE that routinely works with specified customers regardless of their official job title.
 - i. If so, please provide the names of the customer representative providing service with respect to standard cost of service offerings and with respect to the GEAR program.
- d. Please describe the accounting treatment and provide journal entries documenting how PGE segregates cost of administration for its GEAR Program, expressly including:
 - i. Labor
 - ii. Outside Services
 - iii. State & Federal Lobbying
 - iv. Marketing and business development
 - v. Legal costs

- vi. Credit and risk
 - vii. Billing and invoicing
 - viii. Regulatory matters.
- e. Please specify the total number of customers that have inquired about requested service under the GEAR program for Phase 2.
- i. Please identify all such customers.
 - ii. Please provide all documents, communications and analysis regarding estimated program demand.
- f. Of the total number of customers identified in response to Question 2.d., how many of such customers were not previously customers on PGE's system?
- i. Please identify all such customers.

Response:

- a. For the purposes of responding to this data request, PGE interprets “formally requested” as having submitted a Letter of Intent (LOI). The total number of customers who submitted a LOI for Phase 1 is 19, including 17 customers in the PGE-supply option and two customers for the Customer-supply Option (CSO). See PGE Exhibit 601 for the press release from August 2019 which contains the Phase 1 subscribers’ names. The names of the two customers who submitted LOIs for the CSO have not been made public and are confidential customer information.
- b. PGE objects to this request on the basis that it requests protected customer information as PGE maintains the anonymity of customers in the queue. Notwithstanding this objection, of the 19 customers identified in Part A of this data request, one customer was not a PGE customer at the time they submitted their LOI.
- c. PGE did not assign any new customer representatives to work with the customers identified in PGE’s response to Part A of this data request. An existing (non-incremental staff) product developer with thorough knowledge of the program provided information to customers on the GEAR. Their name is provided as Attachment 007-A, which is protected information and subject to Protective Order No. 18-260.
- d. Upon Commission approval of PGE Schedule 55, on March 25th, 2019, PGE began tracking administration costs associated with offering the GEAR.¹ Prior to March 25th 2019, development costs were not accounted for separately, as they were covered in base rates according to standard product development practice.
 - PGE is tracking its actual costs using an Accounting Work Order beginning March 25, 2019. Actual costs tracked through August 31, 2020 are provided as Confidential Attachment 007-B. Attachment 007-B is protected information subject to Protective Order No. 18-260.

¹ More specifically, PGE began this tracking with its next pay period beginning April 1, 2019.

- In preparing to respond to this data request, we learned that a couple of PGE employees inadvertently did not begin tracking their labor related to the GEAR offering, until September 8, 2020. However, PGE has determined the approximate amount of those employees' time from March 25, 2019 until September 8, 2020, and has included that amount with the actuals listed in Confidential Attachment 007-B.
- PGE will apply the amount collected as Schedule 55 administrative costs to our forecast of Other Revenue in PGE's next general rate case in order to avoid double collecting these costs in rates. The following address the specific categories requested based on costs incurred since March 25, 2019:
 - i. Labor – All applicable labor costs associated with the GEAR are represented in the following categories of this response.
 - ii. Outside Services – PGE has not incurred, and does not plan to incur, outside service costs (i.e. non-labor costs for professional services provided by third-party entities) associated with the GEAR. If PGE were to incur any such costs, they will be a de minimis expense.
 - iii. State & Federal Lobbying – These costs are non-utility costs; they are not recovered from PGE customers, are excluded from rates, and will not be included in the GEAR.
 - iv. Marketing and business development – Applicable labor and material costs associated with Marketing and Business Development are being tracked through PGE's accounting system.
 - v. Legal costs – PGE objects to this request to the extent it seeks information that is subject to the attorney-client privilege or the attorney work product privilege. Notwithstanding the foregoing objection, PGE legal labor costs are not incremental for the GEAR. These costs represent regular ongoing activity that is recovered in base rates.
 - vi. Credit and risk – Applicable labor and material costs associated with Credit and Risk are being tracked through PGE's accounting system. This category also includes resource procurement.
 - vii. Billing and invoicing – PGE anticipates customers will not be billed for this product until January 2022 at the earliest, and as such, no billing and invoicing costs have been incurred. All relevant billing and invoicing costs incurred in 2021 will be tracked through PGE's accounting system.
 - viii. Regulatory matters – PGE regulatory labor costs are not incremental for the GEAR. These costs represent regular ongoing activity related to achieving Commission approval of programs and associated regulatory cost recovery and are recovered in base rates.
- e. PGE objects to this request on the basis that it requests protected customer information, that the request is not calculated to lead to the discovery of admissible evidence, and to the extent it causes undue burden. The names of customers that have inquired about service under the GEAR program for tranche 2 are confidential customer information.

Notwithstanding the objection that it is unduly burdensome, PGE has had preliminary verbal conversations with 14 customers about the potential for additional GEAR capacity.

- f. PGE assumes that NIPPC intended to refer to response to Part E rather than Part D. All of the 14 customers referenced in Part E are current PGE customers.

July 26, 2019

TO: John Crider
Public Utility Commission of Oregon

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 027
Dated July 11, 2019**

Request:

PGE/500 Sims-Tinker/14:12. When a load/supply mismatch occurs, how are PGE shareholders compensated for the power that they are required to purchase? Are they compensated at the same rate as a subscriber?

Response:

No. PGE is at risk both for over and under supply. PGE shareholders do not receive a capacity or energy credit for any incremental supply that must be acquired due to a mismatch, and shareholders are at risk for the cost of overproduction/oversupply, specifically the difference between cost of energy and green attributes and the PPA price. The risk adjustment fee would compensate for shareholder risk.

July 26, 2019

TO: John Crider
Public Utility Commission of Oregon

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 040
Dated July 12, 2019**

Request:

PGE/500 Sims-Tinker/30:1-9. How would PGE recommend that the Commission ensure that a fair process occurs, by which PGE selects the least cost/risk project, outside of the competitive bidding process? What if the Company pursues a utility owned resource option?

Response:

Normally, PGE would explicitly follow the Competitive Bidding Rules making use of a full RFP process. However, as detailed in PGE/500 Sims-Tinker/30-31, the full RFP process adds time and cost to the procurement effort that does not align with customer interest nor the intent of the program and that ascribes significant additional costs making the product less desirable.

PGE recommends using a similar process to that used for the first tranche of the program. PGE is committed to a fair and transparent process whereby PGE makes resource criteria known ahead of time, solicits and accepts bids from all interested parties capable of meeting such criteria, and uses Commission approved evaluation methodologies. This process currently includes the opportunity for Staff and the Commission to review the criteria, bids, scoring, and the selected resource(s), which provides oversight in the process from procurement to resource contracting.

This process would apply to all resource types regardless of ownership structure. PGE is incentivized to procure the least cost/least risk project to ensure subscriber participation due to a competitive price, protections for cost-of-service customers and shareholders from uncompensated risks. If PGE were to offer a utility owned resource, PGE would make such offering known ahead of time and abide by the requirements of the Commission and rules to demonstrate no cost-shifting is occurring. The above detailed review process would provide Staff and the Commission with the necessary review opportunities and oversight of the overall process, ensuring a fair, transparent,

and competitive outcome. Ultimately, the Commission has the authority to determine prudence and it is PGE's responsibility to meet the burden of proof associated with supporting such determination.

July 30, 2019

TO: John Crider
Public Utility Commission of Oregon

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 042
Dated July 12, 2019**

Request:

PGE/500 Sims-Tinker/35:1-14. Does PGE believe that the VRET procurement process will result in an equivalent level of cost and risk as the traditional IRP/RFP process absent the VRET? Please explain. Are all of the same capacity/energy options considered in the IRP and VRET procurement?

Response:

PGE notes that the green tariff resource procurement process is designed to complement, not replace the IRP process. The green tariff relies on the IRP process and methodology for the identification of energy and capacity needs and for information related to the energy and capacity credits to ensure that non-participating customers do not experience increases in cost or risk due to the green tariff.

As described in PGE/500 Sims-Tinker/35, PGE can meet the key elements of the Competitive Bidding Rules without making use of the full RFP process that imposes a longer procurement timeframe and greater costs to customers and/or subscribers. Any such green tariff resource evaluation would derive information and use methodologies from the most recently acknowledged or filed IRP as well as requirements or structure from the most recently completed or filed RFP. Given this linkage, the green tariff procurement process will ensure the same amount of least cost and least risk as a full RFP process. Additionally, PGE is further incentivized to pursue a least cost and least risk resource option for the green tariff as the pricing of any offering will determine customer demand and the success of the program.

While the green tariff resource evaluation framework uses the IRP methodologies, the same resource options are not considered in both. The IRP evaluates generic resources which include renewables as well as other resources ranging from energy storage to traditional thermal. The green tariff specifically considers renewable resources and such resources must meet the design of the program.

September 17, 2020

TO: Carl M. Fink
Blue Planet Energy Law, LLC

FROM: Karla Wenzel
Manager, Regulatory Strategy and Initiative

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Second Supplemental Response to NIPPC Data Request No. 008
Dated August 28, 2020**

Request:

Reference PGE Exhibit 800, p. 42 through p. 46:

- a. With respect to PGE 800, page 42, lines 6-7, (“we do not currently have a specific resource identified for participation in the GEAR Tranche 2 ...”):
 - i. please identify all resources PGE has evaluated or considered (or is evaluating or considering) for participation in the GEAR Tranche (2).
 - ii. When does PGE anticipate selecting a specific resource?
 - iii. Please describe the specific criteria PGE will use to select a specific resource.
 - iv. Please provide all analysis, discussions and communications regarding the benefits and/or detriments to PGE from owning a resource for the Gear Tranche 2 program.
- b. Please provide the agreement(s) PGE entered into with Avangrid Renewables on or around February 2020 to supply energy for Phase 1 of the GEAR program (the “Avangrid PPA”).
- c. When did PGE first engage in discussions with Avangrid regarding the Avangrid PPA?
- d. Did PGE negotiate with any other developers to purchase supply for Phase 1 of its GEAR program? If so,
 - i. Please specify such developers.
 - ii. Please explain how PGE evaluated the Avangrid PPA as compared to other potential sources of supply
- e. Does the Avangrid PPA include any opportunity for PGE to take ownership of the project in the future, through a right to purchase, a right of first offer, a right of first refusal, or any other contractual right under which PGE could acquire the asset?
- f. In negotiations with any prospective or potential supplier of power for the GEAR program, has PGE requested, or been offered, any opportunity for PGE to take ownership of the

project in the future, through a right to purchase, a right of first offer, a right of first refusal, or any other contractual right under which PGE could acquire the asset? If the answer is anything other than an unqualified “no,” please provide all relevant correspondence and analysis.

Response (Dated September 11, 2020):

PGE objects to this request on the grounds of relevance, that it requests highly confidential material, is overly broad and unduly burdensome. Notwithstanding its objection, PGE replies as follows:

- a.
 - i. PGE has not evaluated or considered, and is not currently evaluating or considering, a specific resource for participation in tranche 2 of the GEAR.
 - ii. PGE anticipates selecting a specific resource closer to the time of a procurement.
 - iii. Regarding specific criteria to select a resource, we select resources that we believe to be the least cost and least risk for both customers and shareholders, and that meet customer interest. Reducing risk includes due diligence efforts to ensure the project is viable and has a clear path towards realization.
 - iv. PGE has provided extensive testimony on utility ownership as part of this docket¹ but has not undertaken specific analysis or had specific discussions or communications regarding the benefits and/or detriments to PGE from owning a resource for tranche 2 of the GEAR.
- b. PGE objects to NIPPC Data Request No. 008(b)-008(f) on the basis that NIPPC seeks information that is not relevant to the decisions to be made in this proceeding. The Avangrid PPA relates to the first tranche, authorized by Commission order, and not at issue in this Phase 2. Avangrid directly competes with NIPPC members in the independent power producer field, and providing its agreement or terms of its agreement in response to this request will jeopardize its competitive position.

Notwithstanding its objection, PGE replies to NIPPC Data Request No. 008(f) as follows:

- f. At this time, PGE has not engaged in negotiations with any prospective or potential suppliers for tranche 2 of the GEAR.

First Supplemental Response (Dated September 15, 2020)

- c. *When did PGE first engage in discussion with Avangrid regarding the Avangrid PPA?*

PGE held a competitive procurement process beginning on March 26th, 2019. This went to a variety of industry participants and asked for bids according to the posted minimum PPA requirements. Bids were due on April 19th and negotiations with Avangrid started shortly after they were identified as the winning bidder.

¹ See PGE/500, page 11; PGE/600, pages 27-31; PGE/700, pages 16-17; and PGE/800, pages 42-45.

- d. *Did PGE negotiate with any other developers to purchase supply for Phase 1 of its GEAR program? If so,*
- i. *Please specify such developers.*
 - ii. *Please explain how PGE evaluated the Avangrid PPA as compared to other potential sources of supply*

In this instance PGE only negotiated with Avangrid once they were selected as the top performer in the procurement process. However, PGE did invite multiple developers to participate in the procurement process including [REDACTED].

After receiving bids from those developers that chose to participate, PGE evaluated the resources based on a cost/benefit analysis consistent with the 2018 Renewable RFP.

Second Supplemental Response (Dated September 17, 2020)

- b. *Please provide the agreement(s) PGE entered into with Avangrid Renewables on or around February 2020 to supply energy for Phase 1 of the GEAR program (the “Avangrid PPA”).*

See Attachment 008 A. Attachment 008-A contains protected information and is subject to Modified Protective Order 20-302.

- e. *Does the Avangrid PPA include any opportunity for PGE to take ownership of the project in the future, through a right to purchase, a right of first offer, a right of first refusal, or any other contractual right under which PGE could acquire the asset?*

See Attachment 008 A. Attachment 008-A contains protected information and is subject to Modified Protective Order 20-302.

² The developer names are highly confidential and subject to Modified Protective Order 20-302.

July 26, 2019

TO: John Crider
Public Utility Commission of Oregon

FROM: Karla Wenzel
Manager, Pricing & Tariffs

**PORTLAND GENERAL ELECTRIC
UM 1953 Phase II
PGE Response to OPUC Data Request No. 028
Dated July 11, 2019**

Request:

PGE/500 Sims-Tinker/15:3-4. Does PGE have any plans to bank or hold excess RECs for future VRET customer needs? Would this be allowable under the program's current construct?

Response:

Currently, PGE is exploring options for addressing over-generation, which includes the ability to bank bundled RECs from the specified resource(s) for green tariff subscribers' future needs. Yes, this would be allowable under the program's current construct.

September 18, 2019

TO: Gregory M. Adams
Richardson Adams, PLLC

FROM: Jay Tinker
Director, Rates and Regulatory Affairs

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to Calpine Data Request No. 018
Dated September 4, 2019**

Request:

When the PPA renewable facility over or under generates in real-time, how will those incremental costs (e.g. energy replacement, RECs) be calculated and who bears these costs – green tariff customers or cost of service customers?

Response:

PGE's GEAR is a subscription rider for cost-of-service customers, and it is not a real-time, market-based program matching real-time load to real-time generation.

Off-system resources will require balancing and integration services from the host balancing authority or a third-party. As a result, PGE will receive a schedule from the resource and the actual over- or under-generation will not impact PGE because only the scheduled quantities are received. The resource owner will bear the costs or credits associated with real-time imbalances.

On an annual basis, PGE will be responsible for managing under and over-production, specifically with regard to RECs. PGE's testimony in UM 1953 PGE/300, Sims – Tinker/14 describes the "variable resource risk" borne by shareholders.

In order to minimize the risk of perpetual undergeneration by the GEAR resource, PGE also includes in the terms of the GEAR PPA(s) a production guarantee. This is a contractual provision that requires a minimum level of annual production with liquidated damages paid by the supplier if that level is not met.

September 18, 2019

TO: Gregory M. Adams
Richardson Adams, PLLC

FROM: Jay Tinker
Director, Rates and Regulatory Affairs

**PORTLAND GENERAL ELECTRIC
UM 1953
PGE Response to Calpine Data Request No. 015
Dated September 4, 2019**

Request:

Does PGE agree that the costs associated with undersubscription (i.e., any time during the term of the PPA where the PPA requires PGE to pay for MWh delivered or curtailed that are in excess of the amount of MWh paid for to PGE by participating customers), including any payments required to the PPA counter party, are solely the responsibility of PGE's shareholders? If not, please explain why not and how such costs would be covered by parties other than PGE's shareholders.

Response:

Yes, PGE agrees with the statement that the costs associated with undersubscription are solely the responsibility of PGE's shareholders.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on September 22, 2020, I electronically filed redacted portions of the Proposed Hearing Exhibits of Northwest and Intermountain Power Producers Coalition with the Public Utility Commission of Oregon's Filing Center and served the confidential portions of the filing to the following qualified parties to Docket No. UM 1953 via encrypted email attachment:

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FURTHER, on September 22, 2020, I served the highly confidential portions of the filing to the following qualified parties to Docket No. UM 1953 via encrypted email attachment:

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Dated: September 22, 2020



Carl Fink
One of Counsel for Attorney for NIPPC