

Davison Van Cleve PC

Attorneys at Law

TEL (503) 241-7242 • FAX (503) 241-8160 • jog@dvclaw.com
1750 SW Harbor Way, Suite 450
Portland, OR 97201

October 21, 2021

Via Electronic Filing

Public Utility Commission of Oregon
Attn: Filing Center
201 High St. SE, Suite 100
Salem, OR 97301

Re: In the Matter of ALLIANCE OF WESTERN ENERGY CONSUMERS
AND CITIZENS' UTILITY BOARD OF OREGON,
Application for an Accounting Order Requiring Portland General Electric
Company to Defer Expenses and Capital Costs Associated with the
Boardman Power Plant, **Docket No. UM 2119**
In the Matter of PORTLAND GENERAL ELECTRIC COMPANY,
Request for a General Rate Revision, **Docket No. UE 394**

Dear Filing Center:

Please find enclosed the Alliance of Western Energy Consumers' ("AWEC") and Oregon Citizens' Utility Board's ("CUB") Joint Reply to Portland General Electric Company's Response to AWEC and CUB's Joint Motion to Consolidate Docket Nos. UM 2119 and UE 394.

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Sincerely,

/s/ Jesse O. Gorsuch
Jesse O. Gorsuch

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 2119

UE 394

In the Matter of)	
)	
ALLIANCE OF WESTERN ENERGY)	JOINT REPLY OF ALLIANCE OF
CONSUMERS and OREGON CITIZENS’)	WESTERN ENERGY CONSUMERS
UTILITY BOARD,)	AND OREGON CITIZENS’ UTILITY
)	BOARD TO PGE’S RESPONSE
Application for an Accounting Order Requiring)	
Portland General Electric Company to Defer)	
Expenses and Capital Costs associated with the)	
Boardman Power Plant.)	
_____)	
)	
In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	
COMPANY,)	
)	
Request for a General Rate Revision.)	
_____)	

I. INTRODUCTION

Pursuant to OAR § 860-001-0420(5) and their Motion for Leave to Reply, filed concurrently with this Reply in the above-referenced dockets, the Alliance of Western Energy Consumers (“AWEC”) and Oregon Citizens’ Utility Board (“CUB”) hereby file with the Oregon Public Utility Commission (“Commission”) this Reply to Portland General Electric Company’s (“PGE” or Company”) October 15, 2021 Response to AWEC and CUB’s Joint Motion to Consolidate (“Joint Motion”) Docket Nos. UM 2119 and UE 394.

II. REPLY

In its Response, PGE fails to put forth persuasive arguments for why the Commission should deny AWEC and CUB’s Joint Motion. The Commission has previously acted upon its discretion to consolidate cases “when consolidation was efficient and logical and when consolidation would clarify and simplify resolution of issues.”^{1/} As stated in the Joint Motion, consolidation of Docket No. UM 2119 and UE 394 is efficient, logical, and will further the public interest because it will allow the Commission to resolve issues surrounding the Boardman deferral at the same time that the Commission determines PGE’s overall rates in UE 394. Considering the Boardman deferral in the rate case furthers the public interest by creating a robust record for the Commission to set just and reasonable rates. PGE incorrectly asserts that because “the issues in Docket No. UM 2119 and Docket No. UE 394 are not identical...consolidation would further complicate and increase the time and resources (of the parties and Commission) required for both dockets.”^{2/}

PGE first argues that consolidation of Docket No. UM 2119 and Docket No. UE 394 is unwarranted because the two dockets are in different stages. This fact is irrelevant to the Commission’s determination of whether consolidation is efficient, logical, and will further the public interest. It is not uncommon for utility commissions to consolidate deferral dockets with general rate case dockets when “the facts or principles of law are related.”^{3/} Here, consolidation

^{1/} Docket Nos. UP 415 and UE 219, Ruling (Jan. 26, 2021).

^{2/} Docket No. UM 2119, PGE’s Response in Opposition to Motion to Consolidate (“PGE Response”) at 2 (Oct. 15, 2021).

^{3/} See Washington Utilities and Transportation Commission Docket Nos. UE-190529 and UG-190530 (Consolidated), Docket Nos. UE-190274 and UG-190275 (Consolidated); Docket UE-140762 (Consolidated), Docket UE-140617, (Consolidated), Docket UE-131384, (Consolidated), and Docket UE 140094 (Consolidated); WAC 480-07-320.

of Docket Nos. UM 2119 and UE 394 is logical because the Commission must amortize the Boardman deferral in rates and doing so when PGE’s full rates are set in a rate case provides the most transparency over the impact of the deferral. Further, any two dockets are rarely, if ever, in entirely identical stages. However, both dockets here are in similar, preliminary stages, and consolidating the dockets will help ensure a robust record is built on all issues simultaneously. Notably, PGE fails to offer an alternative solution.

PGE’s second argument in opposition of the Joint Motion, that “the parties in the two dockets are not identical”^{4/}, is misguided at best. The Commission has yet to rule on AWEC and CUB’s Application in Docket No. UM 2119. It is therefore unsurprising that the only parties to the docket at this stage of the proceeding are PGE, AWEC, CUB, and Commission Staff. Additionally, in Docket No. UE 394, there is no reason to believe that every party will address every issue in the rate case. Rather, as is custom, parties will only take positions on issues relevant to their interest. Calpine Energy Solutions’ Petition to Intervene in UE 394, for instance, identifies its interest as limited to the “rates charged to customers eligible for direct access and customers currently participating in direct access.”^{5/} The fact that the parties in the two dockets are not identical is immaterial in determining whether consolidation of the two dockets is efficient, logical, and furthers the public interest.

Third, PGE argues that “due to timing, there is effectively no issue overlap between the two dockets.”^{6/} This is simply untrue. Both dockets relate directly to the level of just and reasonable rates PGE should be allowed to charge its customers. Moreover, there is no

^{4/} PGE Response at 2.

^{5/} Docket No. UE 394, Calpine Energy Solutions’ Petition to Intervene at 2 (July 1, 2021).

^{6/} PGE Response at 3.

requirement that the issues in the two cases be “identical,” as PGE suggests.^{7/} In Docket No. UE 79, PGE submitted revised tariff schedules for electric service. The Commission consolidated Docket No. UE 79 with Docket No. UI 46, PGE’s Application for an Order Approving Transactions with Affiliated Interests, Docket No. UM 304, PGE’s “application for deferred accounting related to the payment made to the AMAX coal company in connection with termination of the old contract and implementation of a new coal contract”^{8/} and Docket No. UM 320, PGE’s “application for deferred accounting related to increased costs incurred for power purchased from the Bonneville Power Administration...under a contract relating to PGE’s prior interest in the Washington Public Power Supply System...nuclear generating station number one (WNP-1).”^{9/} As explained by PGE in its Response, the Commission consolidates dockets when doing so would “improve judicial efficiency, provide clarity, or otherwise simplify the ultimate resolution of both dockets[]”^{10/}, rather than when issues in the dockets overlap. That is the basis for AWEC and CUB’s request for consolidation here.

PGE then argues that the Joint Motion should be denied because “UM 2119 and UE 394 have significantly different scopes.”^{11/} PGE provides no support for this assertion beyond the statement that “[i]ssues related to Boardman’s closure, Docket No. UM 2119’s main concern, is only one aspect of Docket No. UE 394, PGE’s complex rate case.”^{12/} As made clear by the Commission’s consolidation of Docket No. UE 79, PGE’s revised tariff schedule for

^{7/} Id. at 2.

^{8/} Docket No. UE 79 et al., Order No. 91-186 at 3 (Feb. 4, 1991).

^{9/} Id.

^{10/} PGE Response at 2, citing In the Matters of PacifiCorp, dba Pacific Power, Docket No. UE 219 (2021).

^{11/} Id. at 3.

^{12/} Id. (internal citations omitted).

electric service, with Docket No. UI 46, PGE’s Application for an Order Approving Transactions with Affiliated Interests, and Docket Nos. UM 304 and UM 320, two deferred accounting applications, processes with differing scopes are commonly consolidated to further the public interest.

Finally, PGE argues that “the burden of proof is assigned to different parties in the two dockets. Therefore, consolidation would force the Commission to either: a) employ different burdens of proof within the same docket or b) modify who carries the burden of proof for one of the dockets.”^{13/} According to PGE, these options complicate the matters at hand.^{14/} AWEC and CUB do not share PGE’s concern. PGE is correct that AWEC and CUB have the burden of proof in UM 2119. CUB and AWEC are, nevertheless, willing to incorporate UM 2119 into the current schedule in UE 394, which gives PGE the last word. In other words, CUB and AWEC are willing to disadvantage their position through consolidation.

If, however, this proposal is not acceptable to the Commission, then AWEC and CUB suggest that the parties carve out a parallel and separate testimony track in the rate case for the Boardman deferral issue, similar to the amended procedural schedule adopted in Docket No. UG 344. In Docket UG 344, NW Natural’s general rate case, parties addressed a question “first raised in NW Natural’s 2011 general rate case, Docket No. UG 221, and again in Docket No. UM 1654 regarding NW Natural’s revenue sharing arrangements for NW Natural’s Mist interstate storage services and resource optimization activities.”^{15/} In Docket No. UM 1654, at the direction of the Commission, parties hired a “third-party to perform an independent study and

^{13/} Id.

^{14/} Id.

^{15/} Docket No. UG 344, Joint Motion to Amend Procedural Schedule at 1:7-10 (Mar. 26, 2018).

cost-allocation evaluation, to aid a decision as to the appropriate revenue sharing percentages.”^{16/} The general rate case was filed on December 21, 2017, and the independent report was issued on November 27, 2017, and filed with the Commission on February 28, 2018. In order to address the independent report in testimony, all parties, including the utility, agreed to move the issue to the general rate case and added additional dates for submission of testimony to accommodate discussion of the independent report after the general rate case had been filed.

Although the parties did not file a Motion to Consolidate, but rather, a Motion to Amend the Procedural Schedule, Docket No. UG 344 is nonetheless applicable and provides a solution to the complexity issue identified by PGE in its Response. The Commission granted the parties’ motion, finding that “good cause exists to grant the motion and that expanding the scope of the testimony to address the [independent report] will not unduly delay the proceedings or burden the record.”^{17/} Applying a similar process in Docket No. UE 394 and establishing a separate testimony schedule for issues related to the Boardman deferral would resolve the complexity issues raised by PGE in its Response, not unduly delay the proceedings or burden the record.

It is also worth noting that the Commission has previously established separate testimony tracks in PGE’s general rate cases to address power cost issues, since PGE must establish updated power costs by November of each year.^{18/} This has not unduly complicated or delayed these proceedings.

^{16/} Id. at 1:14-2:2.

^{17/} Docket No. UG 344, Ruling (Mar. 26, 2018).

^{18/} See, e.g., Docket No. UE 335, Prehearing Conference Memorandum at 2-3 (Mar. 20, 2018).

III. CONCLUSION

PGE has offered no rational basis for maintaining separation between Docket Nos. UM 2119 and UE 394. Consolidation of these dockets would improve judicial efficiency, provide clarity, or otherwise simplify the ultimate resolution of both dockets. AWEC and CUB respectfully request that the Commission grant their Joint Motion to Consolidate.

Dated this 21st day of October, 2021.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Tyler C. Pepple

Tyler C. Pepple

Corinne O. Milinovich

1750 SW Harbor Way, Suite 450

Portland, OR 97201

(503) 241-7242 (phone)

(503) 241-8160 (facsimile)

tcp@dvclaw.com

com@dvclaw.com

Of Attorneys for the

Alliance of Western Energy Consumers

/s/ Michael P. Goetz

Michael P. Goetz

General Counsel

Oregon Citizens' Utility Board

610 SW Broadway, Ste. 400

Portland, OR 97205

503.227.1984 (phone)

503.224.2596 (facsimile)

mike@oregoncub.org