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Attorneys for Sorenson Engineering, Inc.

BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF RULEMAKING TO)
ADOPT RULES RELATED TO SMALL) CASE NO. AR 526
GENERATOR INTERCONNECTION)
)
) COMMENTS OF SORENSON
) ENGINEERING, INC.
)
)
_____)

COMES NOW, Sorenson Engineering, Inc. (“Sorenson”) by and through its attorney of record, Peter J. Richardson, and pursuant to the schedule established by the Administrative Law Judge in the above captioned matter and hereby lodges its Comments to the Commission Staff’s proposed rules and forms.

I

INTRODUCTION

Sorenson is an engineering firm with offices located in Idaho Falls, Idaho. It is a successful engineer, developer, owner and operator of numerous small power production facilities in the Northwest. Sorenson is an engineering firm with offices located in Idaho Falls, Idaho. It is a successful engineer, developer, owner and operator of numerous small power production facilities in the Northwest. Sorenson also provides consulting services to parties

Sorenson Engineering, Inc.’s Comments AR 526

which either own small power production facilities in Oregon or are in the planning stages of developing new small power production facilities in Oregon. Currently, in addition to Sorenson's own interest in acquiring or developing small power facilities in Oregon, Sorenson is formally representing the following entities in this proceeding: Central Oregon Irrigation District, Swalley Irrigation District, Real Energy, LLC and PaxStar Energy.

Sorenson's comments have been prepared with the assistance of John R. Lowe, Director of Business Development for Sorenson Engineering, and experienced in the matter of PURPA implementation particularly with regard to power purchase agreements. Sorenson appreciates the opportunity to comment with regard to the application and design of a dispute resolution process related to PURPA power purchase agreements.

II

APPLICATION OF DISPUTE RESOLUTION RULE(S)

The described purpose of the proposed rules under phase I of AR-526 suggest that the intended application of such rules is for negotiated power purchase agreements. This would mean that such dispute resolution rules and process only would be applicable to qualifying facilities in excess of ten megawatts since standard pricing and contracts terms are available for projects ten megawatts are less, and generally negotiation of such projects is not necessary or desirable. The Commission should clarify this point in the expansion of the applicability of the rule(s).

Sorenson believes the dispute resolution rule(s) should be available to any qualifying facility, regardless of size, that has reached an impasse with a Public Utility over the terms of a requested and properly applied for power purchase agreement. Qualifying Facilities of ten megawatts or less should have the option to utilize this dispute resolution rule(s).

Additionally, the Commission should consider further expansion of the application of the

proposed rule(s) to any circumstances whereby a potential qualifying facility is attempting to complete the application phase for a power purchase agreement but has not been successful in meeting the conditions or requirements as determined by the discretion of the Public Utility or due to the Public Utility's own actions or inactions. Under this set of circumstances a dispute over specific power purchase agreement terms is yet relevant since the drafting of an initial agreement has not occurred or a draft agreement has not been provided by the Public Utility.

In summary, any qualifying facility should be afforded the option to utilize the dispute resolution rule(s), while not being precluded from any other available remedies provided that the underlying issue of disagreement between the qualifying facility and the Public Utility can be demonstrated to be jurisdictional to the Commission.

Respectfully submitted this 29th day of May, 2008.

RICHARDSON & O'LEARY PLLC

By: 

Peter J. Richardson

RICHARDSON & O'LEARY, PLLC

Attorneys for Sorenson Engineering, Inc.

CERTIFICATE OF SERVICE

I certify that I have caused to be served the foregoing Sorenson Engineering Comments in OPUC Docket No. AR 526 by electronic mail and first class mail to those who have not waived paper service on the attached service list. Dated this 29th day of May, 2008.

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