



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

January 29, 2019

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Filing Center

RE: UE 352—PacifiCorp's Comments

In accordance with the Administrative Law Judge Rowe's communication dated January 24, 2019, PacifiCorp d/b/a Pacific Power submits the attached comments in the above-referenced docket.

Please direct any questions about this filing to Natasha Soares at (503) 813-6583.

Sincerely,

Etta Lockey
Vice President, Regulation

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 352

In the Matter of
PACIFICORP d/b/a PACIFIC POWER
2019 Renewable Adjustment Clause.

**PACIFICORP’S COMMENTS
ON THE PROPOSED PROCEDURAL
SCHEDULE**

PacifiCorp d/b/a Pacific Power (PacifiCorp) provides these comments in support of the Public Utility Commission of Oregon (Commission) adopting a procedural schedule in this matter that provides for three rounds of testimony. Three rounds of testimony is consistent with previous Renewable Adjustment Clause (RAC) cases, promotes efficiency and eases the burden on the Commission and stakeholders, while providing sufficient time for parties to develop a strong record for the Commission.

I. Introduction

On December 28, 2018, PacifiCorp filed an advice letter and robust supporting testimony to update its Schedule 202 Renewable Adjustment Clause Supply Service Adjustment. A prehearing conference was held January 23, 2019. The parties to the proceeding did not reach agreement on the number of rounds of testimony in this case and after the prehearing conference, written comments were requested by a party. PacifiCorp now provides these comments in support of three rounds of testimony.

II. Comments

A. The record in this proceeding will not be further advanced by additional rounds of testimony.

PacifiCorp has already provided substantial testimony in support of its advice letter, including voluminous workpapers that provide supporting documentation for PacifiCorp’s

request. In addition, parties to this case are familiar with the repowering projects at issue in this case: the repowering projects were included in PacifiCorp's preferred portfolio in the 2017 Integrated Resource Plan and the net power cost benefits of the repowering projects at issue in this case were included in net power costs as part of PacifiCorp's 2019 Transition Adjustment Mechanism (TAM) in docket UE 339. Three rounds of testimony will provide ample opportunity for parties to provide make their case on the record and will provide information necessary for the Commission to render a decision on the merits.

As part of the settlement in the 2019 TAM in docket UE 339, parties to the TAM, the same parties as in this proceeding, agreed to an accelerated schedule of review of this filing.¹ The timeline agreed to by parties is compressed; adding an additional two rounds of testimony to an already compressed procedural schedule will result in limited time for development of substantive issues in later rounds of testimony. This often places a burden on parties, who are forced to reply to new issues and respond to new analysis in the space of two to three weeks. PacifiCorp understands the concerns of parties who seek to conduct a thorough and in-depth review of significant investments. However, the proposed three-round schedule allows four months (from December 28, 2018 to April 12, 2019) for an in-depth review of PacifiCorp's RAC filing by intervenors.² This time will allow for a strong record, while also balancing the competing interests on the Commission's and stakeholders' time. Compressing an extra two rounds of testimony towards the end of this process will not provide a stronger record and will place an increased burden on parties.

¹ See *In the Matter of PacifiCorp, dba Pacific Power, 2019 Transition Adjustment Mechanism*, Docket No. UE 339, Order No. 18-421 at 4 (Oct. 26, 2018).

² Attachment A.

B. Three rounds of testimony is consistent with past RAC proceedings.

This Commission has never required five rounds of testimony in a RAC proceeding. In PacifiCorp’s and Portland General Electric Company’s RAC cases that have been filed since the adoption of this mechanism, there have always been three rounds of testimony scheduled.³ This level of process is consistent with the creation of the RAC, which allows for the use of automatic adjustment clauses to incorporate investments necessary for complying with Oregon’s Renewable Portfolio Standards and “timely recovery of costs”.⁴ While the statute allows for all the procedural rights consistent with a contested case in Oregon, the full five-round testimony that is often used in general rate cases is not necessary. Due to the narrow scope and truncated timeline of the RAC, which, by agreement of the parties is even more truncated in this case, three rounds of testimony has always been more appropriate.

PacifiCorp’s advice letter presents the repowering of 900.1 MW of company-owned wind capacity to increase output, extend the operating life, and requalify for production tax credits.⁵ These investments are consistent with the narrow scope and purpose of the RAC, for costs related to the use of renewable energy sources to meet retail electricity needs.⁶ This RAC does not require extended process beyond what has been necessary for similar investments in previous cases.

³ *In the Matter of PacifiCorp, dba Pacific Power, 2009 Renewable Adjustment Clause, Schedule 202*, Docket No. UE 200, Prehearing Conference Memorandum (May 5, 2008); *In the Matter of Portland General Electric Company, Renewable Resources Automatic Adjustment Clause (Schedule 122)*, Docket No. UE 288, Prehearing Conference Memorandum (Jan. 22, 2015); *In the Matter of Portland General Electric Company, Renewable Resources Automatic Adjustment Clause, Revises Schedule 122*, Docket No. UE 297, Prehearing Conference Memorandum (May 28, 2015).

⁴ ORS 469A.120(2)(b).

⁵ Advice No. 18-011, Schedule 202, PacifiCorp’s 2019 Renewable Adjustment Clause (Dec. 28, 2018).

⁶ ORS 469A.120(1).

C. Three rounds of testimony minimizes unnecessary work and promotes an efficient use of Commission resources.

As discussed above, three rounds of testimony will provide a robust record that is consistent with the Commission's past review of similar cases. However, three rounds of testimony would specifically ease the burden on the parties and the Commission. A three-round schedule for the RAC would dovetail well with PacifiCorp's 2020 TAM proceeding by providing parties the ability to shift focus after filing their rebuttal testimony in the RAC to analyzing PacifiCorp's TAM application. A three-round schedule allows for alternating schedules without placing pressure on either case. Conversely, a five-round schedule would place the last rounds of RAC testimony in June and July,⁷ which has traditionally been when the first rounds of TAM testimony have occurred.⁸ Such an overlap places increased pressure on the parties involved, and may also place an increased administrative burden on the Commission. As a result, PacifiCorp supports a three-round schedule in this proceeding.

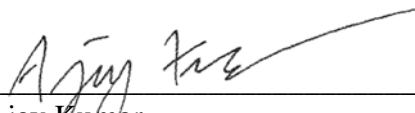
III. Conclusion

PacifiCorp recommends that the Commission adopt a three-round schedule that is consistent with past precedent, provides for a strong record, and promotes efficient use of the Commission's and parties' time.

⁷ Attachment A.

⁸ See *In the Matter of PacifiCorp, dba Pacific Power, 2019 Transition Adjustment Mechanism*, Docket No. UE 339, Prehearing Conference Memorandum (May 10, 2018).

Respectfully submitted this 29th day of January, 2019.

By: 
Ajay Kumar
Attorney, PacifiCorp

Matthew McVee
Chief Regulatory Counsel, PacifiCorp

825 NE Multnomah Street, Suite 1800
Portland, OR 97232
(503) 813-5161 (Kumar)
(503) 813-5585 (McVee)
ajay.kumar@pacificorp.com
matthew.mcvee@pacificorp.com