## BEFORE THE PUBLIC UTILITY COMMISSION

## OF OREGON

UE 390

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PACIFICORP 2022 TRANSITION ADJUSTMENT MECHANISM	In the Matter of	
	TRANSITION ADJUSTMENT	

REPLY OF SMALL BUSINESS UTILITY ADVOCATES

## I. INTRODUCTION:

Pursuant to OAR 860-001-0420, Small Business Utility Advocates ("SBUA") files this Reply to the Joint Response of Alliance of Western Energy Consumers and Oregon Citizen's Utility Board of Oregon, together "AWEC-CUB", ("Response") to the Petition for Case Certification of Small Business Utility Advocates ("SBUA"). SBUA participation in this docket contributes to developing a robust record on relevant issues in this docket. Joint parties have based their Response on their perspective of testimony provided by SBUA's expert. SBUA should not be required to lay out its legal case in this docket in this Reply to justify SBUA's contribution to the docket. The Joint Parties cannot reasonably base a conclusion of SBUA's substantive contribution in this docket at least at this stage. SBUA has a record of providing substantive The Commission should grant the Petition.

II. BACKGROUND:

In December 2019 the Commission adopted the Inter-Jurisdictional Cost Allocation Protocol ("Protocol 2020") in docket UM 1050.<sup>1</sup> Order 20-024. In that Order the Commission

<sup>&</sup>lt;sup>1</sup> UM 1050 In the Matter of PacifiCorp dba Pacific Power Request to Initiate an Investigation of Multi-Jurisdictional Issues and Approve of an Inter-Jurisdictional Cost Allocation Protocol.

disagreed with the position taken by SBUA to hold a hearing regarding the Protocol, but the Commission stated in that Order:

"...when rates are set in future proceedings, the 2020 Protocol does not change our ability and responsibility to approve just and reasonable rates supported by evidence. Indeed, we note that in these future proceedings we expect parties to develop robust records that the Commission will carefully examine."<sup>2</sup>

The Commission has previously ruled in several dockets that SBUA has met the criteria for case certification including the criteria of providing.<sup>3</sup>

III. ANALYSIS

The Commission is required to apply the standard that rates are just and reasonable and SBUA's contribution will assist the Commission by developing a robust record with regard to determining the 2022 TAM. The Commission stated in Order 16-482: "The TAM effectively removes regulatory lag for the company because the forecasts are used to adjust rates. For that reason, the accuracy of the forecasts is of significant importance to setting fair just and reasonable rates. Our goal, therefore, is to achieve an accurate forecast of PacifiCorp's power costs for the upcoming year."<sup>4</sup> The characterization of SBUA's expert witness testimony and issues raised on behalf of SBUA's as lacking value is premature at the least.

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<sup>&</sup>lt;sup>2</sup> Order 20-024, p6.

<sup>&</sup>lt;sup>3</sup> UE 390 Petition for Case Certification of Small Business Utility Advocates ("Petition"), pages 6-8.
<sup>4</sup> Order 16-482

1) Robust record:

The Commission must meet the standard of ensuring just and reasonable rates by basing its decisions on substantial evidence.<sup>5</sup> The evidence gathering is not complete in this docket. Evaluating whether or not SBUA's is contributing to a docket is not an exercise that can be done prospectively in this information gathering stage.

2) Energy Imbalance Market ("EIM"):

Quantifying EIM impacts is a component of the Order 16-482. Among other aspects of the TAM, this annual filing includes test period forecasts for the Company's participation in the energy imbalance market (EIM). Analyzing the benefits and seeking transparency of those benefits is consistent with the positions of the parties in a previous TAM. "Staff and CUB also believe that the company's methodology is too complex and lacks transparency, and believe that a separate, independent investigation on the modeling of EIM benefits is necessary."<sup>6</sup> Imports, exports, and sales are part of testimony seeking transparency from PacifiCorp and are also part of the analysis found in Order 16-482.<sup>7</sup> Testimony from SBUA's expert refers also to sales and transparency.

3) Protocol 2020:

In the same way, SBUA reasonably seeks transparency from the Company with regard to implementation of Protocol 2020 and in particular with regard to the the provision concerning application of Provision 3.9.<sup>8</sup> Without going into prospective contribution in this docket SBUA

<sup>&</sup>lt;sup>5</sup> ORS 183.482(8)(c).

<sup>&</sup>lt;sup>6</sup> Order 16-482, p 15.

<sup>7</sup> Id.

<sup>&</sup>lt;sup>8</sup> 2020 Protocol provision 3.9.

notes that this provision of Protocol 2020 3.9 enables specific review of certain factors.

Developing the record with related information provides the Commission the information needed to implement the provision based on substantial evidence rather than no record at all to achieve just and reasonable rates.

## IV. CONCLUSION

The Commission has found that SBUA has contributed to the record and small general service customers have benefitted from these contributions, provided input of value in previous dockets already enumerated in the Petition.<sup>9</sup> Based on the aforementioned and the Petition, the Commission should grant the Petition.

RESPECTFULLY SUBMITTED July 2, 2021.



s/ Diane Henkels

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<sup>&</sup>lt;sup>9</sup> Petition pp 5-8.