BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1056

In the Matter of an Investigation)	OPENING COMMENTS OF
into Least Cost Planning Requirements)	NORTHWEST INDEPENDENT
)	POWER PRODUCERS
)	COALITION

Pursuant to the procedural schedule in this docket, the Northwest Independent Power Producers Coalition (NIPPC) hereby submits these opening comments.

In a related docket, Docket No. UM 1182, NIPPC seeks fair utility procurement rules that would permit independent power producers to competitively bid to serve a utility's resource needs. Fair and competitive procurement is one of two necessary paths towards achieving a utility resource portfolio that best serves the interests of Oregon's consumers. The other necessary path is a good integrated resource planning (IRP) process. NIPPC thinks that these two processes will work best if the utility undertakes its resource planning prior to any competitive bid process. The IRP process allows the utility to examine all options for serving load, to assess relative risks and benefits of various strategies, and ultimately to select a portfolio path that best meets consumer needs, as reflected IRP Action Plan and consistent with the Commission's IRP planning guidelines.

NIPPC therefore supports Staff's guidelines for issues 1(c) and 16. The IRP analysis should come first. In the IRP Action Plan, the utility should indicate whether a request for proposals (RFP) will be conducted to acquire any needed resource, specifically indicating whether the utility intends to or desires to own a needed resources, either through self-build or "build own transfer". If the utility intends to own a resource, then the utility's Action Plan should also identify the site location of the resource, and the transmission arrangements the utility intends to use to deliver the resource to load. If the utility intends to acquire a Major Resource, defined as a resource with greater than 5 years duration and greater than 50 MW quantity, then the utility's IRP Action Plan should identify the resource, explain its reasons for proceeding without an RFP, and seek the Commission's authorization to proceed with a Major Resource without an RFP.

The guideline just referenced is necessary to signal to the market that the utility intends to acquire resources by RFP, to signal what kinds of resource types are desired, and also to signal what kind(s) of RFP will be conducted, whether a Standard RFP, where no utility owned resource is contemplated, or a Benchmark RFP, where a utility owned

resource is contemplated and will be compared with non-utility bids pursuant to the Commission's RFP rules.

DATED: September 9, 2005.

Respectfully submitted,

/s/ Susan K. Ackerman

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September 9, 2005

VIA Electronic Mail & U.S. Mail

Public Utility Commission of Oregon Attn: Filing Center 550 Capitol St NE #215 PO Box 2148 Salem OR 97308-2148

Re: <u>UM 1056; NIPPC Opening Comments</u>

Enclosed for filing is an original of NIPPC's opening comments in this docket. A hard copy of these comments will follow in the U.S. Mail.

Please call me if you have any questions.

Very truly yours,

/s/ Susan K. Ackerman

Susan K. Ackerman Attorney for NIPPC

Enclosures

Certificate of Service

I certify that I have this day served the foregoing document upon all parties of record in UM 1056 by delivery a copy in person or by mailing a copy properly addressed with first class postage prepaid, or by electronic mail pursuant to OAR 860-13-0070, to all parties or attorneys of parties, attached below.

Dated this 9th day of September, 2005.

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