

*Falls Creek HP Limited Partnership*

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December 12, 2008

**Via Electronic Filing and U.S. Mail**

Public Utility Commission of Oregon  
Attn: Filing Center  
PO Box 2148  
Salem OR 97308-2148

**RE: UM 1394 Opening Comments**

Enclosed for filing in the above-referenced docket are an original and one copy of Falls Creek Hydroelectric Project, LP's Opening Comments on the Joint Issues List.

A copy of this filing has been served on all parties to this proceeding as indicated on the attached certificate of service.

If there are any questions please contact either Gary Marcus at 541-953-2725 or Diane Moore at 541-520-5425.

Best regards,



Diane Moore  
Executive Administrator  
Frontier Technology, Inc.  
Falls Creek HP, LP

cc: Service List

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 1394**

In the Matter of )  
 )  
THE PUBLIC UTILITY COMMISSION )  
OF OREGON )  
 )  
Open an investigation into electric )  
companies providing Qualified Reporting )  
Entity services for certification of )  
Renewable Energy Certificates by the )  
Western Renewable Energy Generation )  
Information System )

**OPENING COMMENTS OF  
FALLS CREEK H.P., L.P.  
ON JOINT ISSUES LIST**

In accordance with the December 2, 2008 Modified Schedule to file Opening Comments on the Joint Issues List, Falls Creek Hydroelectric Project (hereinafter Falls Creek) hereby submits its following comments on the Joint Issues Statement submitted by Staff on November 18, 2008. Falls Creek is not responding to each issue as identified by Staff; instead Falls Creek is addressing the specific issue of proposed charges by utilities for performing QRE services.

In order to fully understand what services Western Renewable Electricity Generation Information System (WREGIS) Qualified Reporting Entities (QREs) are currently performing and their charges for these services, Falls Creek initiated a survey of current WREGIS registered Balancing Authorities and/or Non-Balancing Authority Reporting Entities. Diane Moore, Executive Administrator of Falls Creek conducted the survey on December 10, 2008 by phone. The survey was limited to those entities located in the state of California.

The initial survey findings were that there are four major QRE's in California that report generation for Qualified Facilities (QFs) to WREGIS. None of the QREs charge the generators for performing this service. Results of the information obtained during this phone survey follow. In order that the PUC staff and/or any of the stakeholder's wish

to verify the information contained in the survey the name of the person spoken to and his/her title, phone number and address are listed.

### **Summary of Findings**

The four major QRE's in California charge their generators nothing to provide QRE services. This is primarily because they have existing metering equipment in place and collect the same data for other purposes. It takes a nominal amount of time for them to reformat and send that data to WREGIS.

For example the largest of these QRE's is the Balancing Authority California ISO (CA ISO), which is the balancing authority for the majority of the state. In the words of Mike Russell, who is in charge of Metering and WREGIS reporting:

“...for about 30 generators it takes about 20 minutes (a month) to do this. And that's doing it manually.”

That is, it takes a total of about 20 minutes per month to report metering data to WREGIS for 30 generators. That amounts to less than one minute per month per generator or about 10 minutes per year per generator. If an employee cost a company \$100,000 a year and works approximately 2,000 hours, then the cost per hour is about \$50. Under the above scenario the cost for reporting to WREGIS would be about \$10 per year. If it took 5 minutes per month to do the reporting it would cost about \$50 per year. This computation is meant to demonstrate that the cost of QRE reporting to WREGIS by the California ISO is nominal. These reporting costs do not include the set-up cost of writing a contract, or settling potential disputes. Falls Creek or the PUC could conduct a follow up survey to ascertain what the California QRE's charge for those set up costs or how they deal with prospective disputes.

## Survey

Conducted by:

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### **Research on QRE charges by Utilities in CA December 10, 2008**

California has basically four balancing authorities: California ISO (CA ISO), Sacramento Municipal Utility District (SMUD), Imperial Irrigation District (IID) and PacWest (PacifiCorp West). "Balancing Authorities" means that these entities maintain the load-resource balance within their respective metered boundaries.

Each of the above entities is registered as a Balancing Authority with WREGIS.

Results of phone calls:

1. California ISO  
Mike Russell, Metering/WREGIS Reporting  
151 Blue Ravine Road  
Folsom, CA 95630  
916-351-2108

Mike was very helpful. CA ISO is the balancing authority for most of the state; therefore CA ISO has meters on most generators within its metering boundaries. If there are no CA ISO meters then the meters usually belong to the utility.

Because of deregulation utilities are required by law to separate generation divisions from marketing divisions; that is how utilities such as SDG&E can be self-reporting and act as its own QRE with WREGIS. However, according to Mike,

WREGIS is shying away from self-reporting companies such as Redding Electric Utility because there isn't a true independence for metering as with legislated large utilities.

CA ISO does not charge for its QRE services. Generators are already paying for CA ISO meters and metering. It would be a duplication of services, according to Mike.

Mike stated that the reporting to WREGIS, which he does himself, takes very little time. He has a template set up for the generators that he reports. The template includes the Qualifying Facility (QF) name and WREGIS account holder number. At the end of each month he adds in the month to the template and the TOTAL generation for that month. Then he uploads the data as a .csv file to WREGIS.

Mike stated "for about 30 generators it takes about 20 minutes (a month) to do this. And that's doing it manually." There is no automatic upload system yet with WREGIS. "It would take more time to have someone bill for the QRE service than it would to perform the service," Mike said. Data for all generators can be put into one .csv file and uploaded, so it's not a separate step for each generator.

Mike also shared that he has requested an automated method for uploading data to WREGIS. According to Mike, WREGIS administrators are open to this should they receive more requests for an automated method for data transfer. If an automated system is created it will take even less time per month to transfer the generation total for a QF.

Mike stated that CA ISO's view was that since CA ISO is already charging generators for metering, acting as a QRE and reporting the data to WREGIS was part of the services they should, and do, provide.

2. Imperial Irrigation District  
Hector Galarte, Generation Control & Performance Analyst  
333 E. Barioni Blvd  
P.O. Box 937  
Imperial, CA 92251  
760-339-0571

Hector reports generation from two generators to WREGIS himself. These two units are not owned by IID. IID does not charge for this service as it takes “very little time and we didn’t have to incorporate any additional software in order to report to WREGIS.” Hector did state however, should IID enroll more units (he mentioned 16 as a number) then IID would have to revisit the current ‘no charge’ arrangement.

3. San Diego Gas & Electric  
Linda Watts, Energy Analyst  
8315 Century Park Court, CP21D  
San Diego, CA 92123  
858-650-6197

Linda said that SDG&E either has CA ISO meters on its generators and CA ISO does the reporting to WREGIS, or SDG&E self-meters and reports to WREGIS for their own generators serving as its own QRE.

4. Redding Electric Utility  
Bill Hughes, Manager-Operations Support  
17120 Clear Creek Road  
Redding, CA 96001  
530-245-7025

Bill told me that REU was part of SMUD but pulled out when SMUD was going to integrate with CA ISO. REU is metered by WAPA (in areas where BPA doesn’t balance hydro). Although REU is small they’ve registered the generation side with WREGIS and self-report as their own QRE using the data from WAPAs meters. The marketing side of REU is registered separately with WREGIS. This seemed to satisfy WREGIS requirement for independent metering data.

## **Conclusions and Recommendation**

It appears from this survey that covers the four dominate Balancing Authorities or QREs in California that a reporting method similar to the one that Mike Russell from California ISO uses could take less than a minute a month per generator to report to WREGIS. Falls Creek recommends that the utilities in Oregon who are QRE's adopt this system of reporting.



## CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket UM 1394 on the following named person(s) on the date indicated below by email and first-class mail addressed to said person(s) at his or her last-known address(es) indicated below:

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