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March 6, 2014

Filing Center
Public Utility Commission
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RE: OPUC Docket UM 1610

Attention Filing Center:

Enclosed for filing in the above-referenced docket is the Small Business Utility Advocates' Response to Staff's Motion to Admit Stipulation.

Please contact me at dhenkels@cleantechlawpartners.com or 541-270-6001 if you have any questions. Thank you for your assistance in this matter.

Sincerely,

Diane Henkels Cleantech Law Partners PC dhenkels@cleantechlaw.com 420 SW Washington St. Ste 400 Portland, OR 97204 Counsel for SBUA

Cc:James Birkelund

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1610

In the Matter of)
PUBLIC UTILITY COMMISSION OF OREGON)) SMALL BUSINESS UTILITY) ADVOCATES' RESPONSE TO) STAFF'S MOTION TO ADMIT
Staff Investigation Into Qualifying Facility) STIPULATION)
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Pursuant to OAR 860-001-0420 Small Business Utility Advocates ("SBUA"), respectfully responds to Staff's Motion to Admit Stipulation, filed on February 20, 2015, as modified by Staff's Errata filed March 5, 2015, ("Motion"), regarding the Stipulation filed by Staff on February 20, 2015 ("Stipulation"). This Response is filed prior to the deadline established by the Administrative Law Judges' March 3, 2015 Notice of Telephone Prehearing Conference and Ruling, and Commission rules permitting responses to substantive motions filed within 15 days of the filing of a motion. OAR 860-001-0420(5). SBUA had notified Staff that SBUA was considering responding to the Motion, and was not party to the substantive Stipulation. *See* Errata to Motion to Admit Stipulation, filed March 5, 2015. This Response regards solely the criteria of independent family-owned and community-based projects, as referred to in the Stipulation, page 4, and set forth in Substantive Stipulation Exhibit A of the Stipulation.

SBUA greatly appreciates the efforts and work of all parties to arrive at agreements on the several issues subject to the substantive stipulation of Part II of this lengthy and involved docket. The issues SBUA intended to raise in its intervention in this docket pertain to SMALL BUSINESS UTILITY ADVOCATES' RESPONSE

SMALL BUSINESS UTILITY ADVOCATES' RESPONSE TO STAFF'S MOTION TO ADMIT STIPULATION - 1

maintaining a rate pricing that is reasonable for smaller businesses including, among others, those in the energy sector, and expression of pricing that is reasonably understandable to community-based renewable energy project decision-makers. Petition of Small Business Utility Advocates to Intervene, filed 12/31/12, p. 2 (emphasis added).

Staff explains well the context of the independent family-owned or community-based projects as being exempt from the limits to passive investors. Staff's Brief in Support of Stipulation filed February 27, 2015 ("Brief"), p. 8. Generally projects with passive investors investing in more than 10 MW of QF projects powered by the same motive force and located within five miles radius may not receive standard contracts. However, the Commission exempted independent family-owned and community-based projects from this limitation.

Commission Order 14-058, pp. 2, 27. Portland General Electric and Pacific Power express this exemption in their current schedules 201 and 37, respectively. The proposed criteria in the proposed Stipulation reflect the parties' agreement on the criteria which must be satisfied for a project to be considered family-owned or community-based for the purpose of this exemption.

While appreciating the parties' efforts in crafting the criteria, SBUA believes that, as drafted, the proposed language will require community and family-owned projects to resort to more expertise outside of regular project development assistance simply to determine whether or not a project is consistent with the criteria, particularly in geographic areas where multiple projects may be under consideration. Also, SBUA believes that the definition is worded in such way as to invite too much uncertainty in applicability and potential litigation. This impact would add to the transaction costs PURPA's standard contract process is sup-

SMALL BUSINESS UTILITY ADVOCATES' RESPONSE TO STAFF'S MOTION TO ADMIT STIPULATION - 2

posed to prevent, notwithstanding dispute resolution procedures accessible to smaller projects, Stipulation, p. 4, and Brief, p. 6.

A solution to this problem is to recognize the criteria in the Stipulation as substantive rather than bright-line drafting, of the agreement reached, and enable utilities leeway in drafting clearer language, and for parties to comment, in PacifiCorp Schedule 37 and PGE Schedules 201 compliance filings. This approach is still consistent with Staff's Brief explaining that the parties' criteria captures the Commission's intended result.

Conclusion

Certain technical expertise may be necessary to apply aspects of determining avoided costs, however, SBUA believes that the independent family-owned and community-based criteria should be expressed more clearly for those who would avail themselves of the definition. SBUA respectfully requests that the Commission recognize the criteria and recommend or at least encourage utilities to express the criteria more clearly in compliance filings subject to party comment.

RESPECTFULLY SUBMITTED March 6, 2015.

Diane Henkels

Of Counsel, Cleantech Law Partners PC

Counsel for Small Business Utility Advocates

CERTIFICATE OF FILING SERVICE

I hereby certify that on March 6, 2014, I filed UM 1610 Small Business Utility Advocates' Response to Staff's Motion to Admit Stipulation upon the persons named in the Service list by electronic mail only as per OAR 860-001-0180(2) & (3).

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Dated: March 6, 2015.

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