825 NE Multnomah, Suite 2000 Portland, Oregon 97232



January 9, 2009

## VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Oregon Public Utility Commission 550 Capitol Street NE, Ste 215 Salem, OR 97301-2551

Attn: Vikie Bailey-Goggins, Administrator Regulatory and Technical Support

## RE: Docket UM 1368 Request for Expedited Approval of Amended 2008R-1 Request for Proposals

On March 4, 2008, PacifiCorp filed an application with the Public Utility Commission of Oregon (Commission) requesting approval of a solicitation process for new renewable resources. Thereafter, PacifiCorp filed its Draft 2008R-1 Request for Proposal (2008R-1 RFP) with the Commission and the Public Service Commission of Utah (Utah PSC). On September 23, 2008, the Commission approved the 2008R-1 RFP with conditions. *See* Order No. 08-476. Condition 6 of Order No. 08-476 states that, "Pacific Power must file for approval all requests for new bidders or substantive RFP amendments. Filings will be treated on an expedited basis upon request."

PacifiCorp issued the final 2008R-1 RFP to the market on October 6, 2008. Bids were received on December 16, 2008. Due to the delay in issuing the 2008R-1 RFP, acquisition of the resource from the bidder who ultimately wins the 2008R-1 RFP (assuming an agreement is reached between PacifiCorp and the successful bidder), will not take place until 2009. Additionally, PacifiCorp will be completing the acquisition of some renewable energy sources in 2009, which were unexpectedly delayed from 2008 and expects to construct at least one other renewable energy resource. Consequently, under current Utah law, PacifiCorp is required to issue a request for proposals for a renewable energy resource up to 300 megawatts in size in Utah by January 31, 2009. See Utah Code Ann. § 54-17-502(2)(a)(i).

PacifiCorp believes that administrative efficiency and minimization of bidder confusion in the market can best be accomplished by amending and re-issuing the 2008R-1 RFP to allow new bids and refreshment of previous bids. In order to meet a 2009 on-line date for renewable resources, PacifiCorp plans to issue the Amended 2008R-1 RFP to market on January 26, 2009. To that end, PacifiCorp requests the Commission's approval to issue the attached amended 2008R-1 RFP (Amended 2008R-1 RFP) in Oregon. Pursuant to Condition 6 of Order No. 08-476, PacifiCorp further requests expedited treatment of this filing and asks that it be placed on the Commission's next scheduled public meeting on January 20, 2009 as a consent item.

As indicated in the attached Amended 2008R-1 RFP, the original 2008R-1 is altered in the following ways only: (1) it allows bidders whose bids were received on December 16, 2008 to

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update their bids; (2) it provides new bidders the opportunity to bid into the Amended 2008R-1 RFP; and (3) it modifies the schedule to allow for updated and new bids. The proposed schedule does not hinder bidder's ability to meet a 2009 on-line date, thereby qualifying for any potential federal tax credits. PacifiCorp will evaluate all proposals, new and updated, utilizing the criteria identified in the original 2008R-1 RFP.

PacifiCorp appreciates the Commission's willingness to consider the Company's request for approval of its Amended 2008R-1 RFP.

Sincerely,

Andria L Kelly/K Andrea L. Kelly

Vice President, Regulation

Enclosures

#### **CERTIFICATE OF SERVICE**

I hereby certify that on this 9<sup>th</sup> day of January 2009, I caused to be served, via E-Mail and US Mail (to those parties who have not waived paper service), a true and correct copy of the foregoing document on the following named person(s) at his or her last-known address(es) indicated below.

Service List Docket No. UM-1368

Oregon Dockets Pacific Power 825 NE Multnomah, Suite 2000 Portland, OR 97232 oregondockets@pacificorp.com

OPUC Dockets (W) Citizens' Utility Board of Oregon 610 SW Broadway, Suite 308 Portland, OR 97205 dockets@oregoncub.org

Melinda J. Davison (C) Davison Van Cleve PC 333 SW Taylor, Suite 400 Portland, OR 97204 <u>mail@dvclaw.com</u>

Randall J. Falkenberg RFI Consulting, Inc. PMB 362 8343 Roswell Road Sandy Springs, GA 30350 consultrfi@aol.com

Michael T. Weirich (C) Assistant Attorney General Department of Justice 1162 Court St NE Salem, OR 97301-4096 Michael.weirich@doj.state.or.us

Ann English Gravatt (C) (W) Renewable Northwest Project 917 SW Oak, Suite 303 Portland, OR 97205 ann@rnp.org Robert Jenks (C) (W) Citizens' Utility Board of Oregon 610 SW Broadway, Suite 308 Portland, OR 97205 bob@oregoncub.org

Peter J. Richardson Richardson & O'Leary PO Box 7218 Boise, ID 83707 peter@richardsonandoleary.com

Irion A. Sanger (C) Davison Van Cleve PC 333 SW Taylor, Suite 400 Portland, OR 97204 <u>ias@dvclaw.com</u>

Natalie Hocken Vice President & General Counsel PacifiCorp 825 NE Multnomah, Suite 2000 Portland, OR 97232 Natalie.hocken@pacificorp.com

Lisa C. Schwartz (C) Senior Analyst Oregon Public Utility Commission P.O. Box 2148 Salem, OR 97308-2148 Lisa.c.schwartz@state.or.us

Ken Dragoon (C) (W) Renewable Northwest Project 917 SW Oak, Suite 303 Portland, OR 97205 ken@rnp.org John W. Stephens (C) (W) Esler, Stephens & Buckley 888 SW Fifth Ave, Suite 700 Portland, OR 97204-2021 stephens@eslerstephens.com Robert D. Kahn (W) NW Independent Power Producers 1117 Minor Avenue, Suite 300 Seattle, WA 98101 rkahn@nippc.org

1211 Ariel Son

Coordinator, Administrative Services



January 26, 2009

Subject – <u>RFP 2008R-1</u> Call for New/Revised Bids (2008R-1 Amendment)

Bidders:

PacifiCorp's RFP 2008R-1 Section 1 sets the resource target quantity per year for the acquisition of supply-side renewable resources. PacifiCorp expects to acquire or commence construction of one or more renewable energy resources in 2009. As a result, Section 54-17-502 (2) (a)(i) of the Laws of Utah require the company to issue a Request for Proposal in January 2009. To comply with this requirement, PacifiCorp is requesting new and/or revised bids pursuant to 2008R-1 Request for Proposal issued on October 6, 2008 to comply with this requirement. The 2008R-1 Request for Proposal and all of the Appendices are posted on PacifiCorp web site at <a href="http://www.pacificorp.com/Article/Article81264.html">http://www.pacificorp.com/Article/Article81264.html</a>.

All Bidders who submitted a Notice of Intent to Bids on November 3, 2008 and proposals on December 16, 2008 will be evaluated under the 2008R-1 Amendment. New bidders to 2008R-1 Amendment <u>must</u> provide the required information in 2008R-1 RFP which includes the Intent to Bid form, the applicable Bid Fee and a proposals which complies with the 2008R-1 RFP. Existing Bidders may also provide update information to their existing proposal or indicate that no changes have occurred. If existing bidders do not provide any additional information the existing proposal will be evaluated.

PacifiCorp will evaluate all proposals, new and existing, in the 2008R-1 Amendment using the criteria identified in RFP 2008R-1. Bidders who have not submitted Intent to Bid forms will be required to submit the Intent to Bid by February 12, 2009 which include Appendix A and D. Existing bidders whom have already submitted a proposal are not required to submit a new Intent to Bid. To the extent that bidders are interested in using the company's wind turbines please indicate so on the Intent to Bid form a confidentiality agreement will be executed.

PacifiCorp is replacing Section 3 Chart 2 in the 2008R-1 RFP with the following anticipated schedule.

Notice to the Market – PacifiCorp will be accepting new/revised proposals under RFP 2003B.	January 26, 2009
Intent to Bid form	February 12, 2009
New Proposals or updates to the Exiting	February 27, 2009
Proposal due by 5:00pm PPT	
Evaluation complete	April 9, 2009
Oregon Commission acknowledgement of	May 8, 2009
Final Shortlist	
Bidder negotiation complete	July 9, 2009
PacifiCorp decision	July 15, 2009

## Bidders should note that the above schedule is a target which may change.

Finally, please also note that RFP 2008R-1 Amendment continues to provide that nothing herein shall obligate PacifiCorp to enter into any agreement with any entity responding to this Solicitation and PacifiCorp shall have no obligation to any person or entity to reimburse any expenses incurred by said person or entity in responding hereto. All rights and remedies of PacifiCorp with respect to bids, proposals, and information set forth in RFP 2008R-1 Amendment, and all disclaimers and reservations made by PacifiCorp, are reiterated as if set forth herein.

# If you are interested in responding to this Solicitation, pertinent documentation regarding RFP 2008R-1 <u>http://www.pacificorp.com/Article/Article81264.html</u>.

Phone responses will not be accepted. If you have questions that you would like PacifiCorp to answer please provide them in writing via email to RFP2008R-1@pacificorp.com.