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VIA ELECTRONIC FILING AND U.S. MAIL

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: Docket No. UM 1355

Enclosed for filing in the above-referenced docket are an original and one copy of Idaho Power's Motion for Additional Testimony.

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

Very truly yours,

Wendy L. McIndoo

cc: Service List

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CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket UM 1355 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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DATED: January 29, 2010



Wendy McIndoo

1 "Stipulation").² In the Stipulation, the parties recommended that the Commission adopt
2 Staff's proposed "collar" mechanism, designed to identify and replace data associated with
3 extreme outages to yield a more accurate forecast outage rate.³

4 On July 6, 2009, and in response to a request by PacifiCorp, the ALJ issued a
5 Prehearing Conference Report authorizing an additional round of testimony. The utilities
6 were to file supplemental testimony on July 24, 2009, and Staff, CUB, and ICNU were to
7 file reply testimony on August 13, 2009. Because Idaho Power had reached a stipulation
8 with Staff and CUB, it did not file additional testimony. PacifiCorp was the only utility that
9 filed testimony and did so on July 24, 2009.

10 On August 13, 2009 Staff and ICNU filed reply testimony. In ICNU's reply testimony it
11 proposed a new collar method to exclude extreme events. Because Idaho Power had
12 reached a settlement with Staff and CUB, ICNU's proposal was designed specifically for
13 PacifiCorp,⁴ and the procedural schedule did not allow for another round of testimony, the
14 Company did not file testimony responding to ICNU's proposal.

15 Then, on October 7, 2009, ALJ Arlow issued the Notice reflecting the Commission's
16 conclusion that the Stipulation was reasonable and in the public interest *except* for certain
17 aspects of Staff's collar mechanism. Accordingly, the ALJ stated, the Commission had
18 decided to adopt the Stipulation with the following modifications.

19 First, instead of replacing the excluded outage rate with the 90th or 10th percentile of
20 NERC data, the Commission proposes replacing the excluded outage rate with an average
21 forced outage rate based on the unit's *entire historical data*. This proposal is a hybrid of
22 Staff's proposal to exclude outage rates outside the 90/10 NERC benchmark and ICNU's
23 proposal to replace excluded outages with historical averages. This was an entirely new

24 ² Although the Industrial Customers of Northwest Utilities ("ICNU") did not sign-on to the Stipulation,
25 they indicated that they did not object to its terms.

26 ³ Idaho Power Stipulation at ¶ 5.c.

⁴ See ICNU/300, Falkenberg/13, ll. 24 ("I recommend the Commission adopt my proposal for
PacifiCorp.").

1 proposal. Second, the Commission proposes to treat imprudent outages in the same
2 manner as extreme outages in that data associated with an imprudent outage would be
3 replaced with a forced outage rate based on the unit's entire historical average. The
4 Commission's proposal also removes from the calculation of the historical average all
5 years that include an imprudent outage.

6 On October 19, 2009, Idaho Power filed its Request for Approval of Stipulation or
7 Additional Proceedings, exercising its rights under OAR 860-014-0085(6) and the terms of
8 its Stipulation to seek additional proceedings to allow the parties to better develop the
9 record with respect to the Commission's proposal for addressing extreme outages.

10 On December 7, 2009, the Commission issued Order No. 09-479 that allowed parties
11 to file additional testimony related to the collar mechanism if the testimony addressed new
12 issues of fact in dispute that witnesses had been previously unable to address. On
13 January 22, 2010, ALJ Arlow issued a Ruling allowing parties to file motions "seeking the
14 right to file additional testimony with respect to new issues of fact arising subsequent to the
15 submission of reply and supplemental testimony."

16 II. DISCUSSION

17 The Commission's December 7, 2009 Order establishes the parties' rights to file
18 additional testimony in this docket with respect to new issues of fact that its witnesses were
19 unable to address in previous testimony.⁵

20 Here, the Commission's proposed collar mechanism utilizes an element of ICNU's
21 proposed collar—the replacement of excluded outages with a historical average. ICNU
22 proposed this collar after Idaho Power had reached a settlement with Staff and CUB (to
23 which ICNU did not object) and therefore, Idaho Power did not file testimony in response to
24 the proposal. Moreover, ICNU proposed its collar in the final round of testimony such that
25 no party, even if it had wanted to, could file responsive testimony analyzing or commenting

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⁵ Order No. 09-479 at 4.

1 on the merits of ICNU's method. Therefore, this is a factual issue in dispute that arose
2 after Idaho Power reached settlement. Moreover, the Commission's proposed its collar for
3 the first time after all testimony was filed. Therefore, Idaho Power has had no opportunity
4 to provide testimony related to its issues. Under the terms of Order No. 09-479, the
5 Commission should allow Idaho Power the opportunity to respond to these issues.

6 Through its testimony, Idaho Power intends to establish the following facts:

- 7 • Idaho Power may be unable to collect and verify historical forced outage data
8 for its coal plants.
- 9 • The use of a historical average to replace excluded outages will not increase
10 the accuracy of forecast outage rates.
- 11 • Due to physical and operational changes to Idaho Power's generating fleet,
12 lengthy historical averages are not necessarily predictive of future outage
13 rates.
- 14 • Idaho Power's fleet differs from PacifiCorp's fleet such that ICNU's proposal,
15 designed for PacifiCorp, may not be appropriate for Idaho Power.

16 These facts are all offered in response to the Commission's proposal and are relevant
17 to issues to which the Company has had no previous opportunity to respond.

18 **III. CONCLUSION**

19 Idaho Power requests that the Commission allow it to file additional testimony in
20 response to issues of fact to which the Company's witnesses did not have an opportunity to

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1 respond. This will ensure that the record in this case is fully developed and that Idaho
2 Power has the right to respond to all issues prior to a Commission decision.

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4 Dated: January 29, 2010.

5 Respectfully submitted,

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