



April 7, 2020

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE,
Suite 100
Salem, OR 97301-3398
ATTN: Filing Center

RE: Errata to Willamette Falls Paper Company's Application for Declaratory Order, and Alternative Application for Waiver of Direct Access Requirements and/or New Load Direct Access Requirements – **Docket DR 56**

On March 16, 2020, Willamette Falls Paper Company ("Willamette Falls") filed an Application for Declaratory Order, and Alternative Application for Waiver of Direct Access Requirements and/or New Load Direct Access Requirements docketed as DR 56 (the "Declaratory Order Request"). Willamette Falls subsequently determined that there was a calculation error on page 4, numbered paragraph 20 of the Declaratory Order Request overstating the annual increase in power costs to the Mill if relief is not granted. Paragraph 20 should read:

"20. Willamette Paper estimates the difference in power costs for Mill operation if it is required to purchase power under PGE's large industrial cost of service rate schedule rather than the Large New Load Direct Access program (including applicable transition costs) could be an increase of approximately \$2-3 million per year over the first 5 years, and \$4 million per year thereafter, depending on market pricing."

A corrected page 4 to the Declaratory Order Request is attached.

Respectfully submitted,

/Carl Fink/S

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failed to provide the required 1-year notice under the rule”

18. Willamette Paper informed PGE that it intended to contest and/or seek a waiver of PGE’s determination on a timely basis.
19. Willamette Paper estimates the difference in power costs for Mill operation if it is required to pay full direct access transition charges would be an increase of between two to four million dollars per year.
20. Willamette Paper estimates the difference in power costs for Mill operation if it is required to purchase power under PGE’s large industrial cost of service rate schedule rather than the Large New Load Direct Access program (including applicable transition costs) would be an increase of approximately \$2-3 million per year over the first 5 years, and \$4 million per year thereafter, depending on market pricing.”
21. The Mill employees more than 120 people in Oregon.
22. The Mill is the first – and currently the only -- paper manufacturing facility in the United States to offer paper using non-wood fiber, using agricultural waste as a primary source of pulp for some products. This agricultural waste otherwise would be burned or tilled under, in either case releasing substantial greenhouse gas emissions.
23. Willamette Paper has worked with Business Oregon on the restart of the Mill. As part of the restart, Willamette Paper is required to invest in its operations in order to add the capability to use mixed waste paper from the regional area which is now a waste problem for the state. This investment will be dramatically hampered, or rendered impossible, if the Mill is required to restart payment of full transition charges for a new 5 year period or is forced to take service under the incumbent utility’s cost of service rates.
24. The paper industry has very thin margins. West Linn Paper was forced into an involuntary bankruptcy proceeding due to competitive pressure, leading to transfer of the Mill to Willamette Paper. Willamette Paper likely will not be competitive on a long term basis if it is required to pay for electricity at cost of service prices from PGE, or forced to pay full transition charges under the direct access program.

II. The Commission should declare that Willamette Paper is successor in interest to West Linn Paper for purposes of the direct access program and/or waive the direct access transition fee.

Willamette Paper requests that the Commission declare that, for purposes of the direct access program, the Mill is and has been a long-term direct access customer that has already paid transition charges for a full five year period and may continue to receive direct access service