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June 25, 2019

VIA ELECTRONIC FILING

PUC Filing Center Public Utility Commission of Oregon P.O. Box 1088 Salem, Oregon 97308-1088

Re: Docket UM 1829: In the Matter of Blue Marmot V LLC vs Portland General Electric Company

Attention Filing Center:

Portland General Electric Company (PGE) requests that the enclosed Errata—pages vii, 52, and 54 of PGE's Response Brief, filed April 5, 2019—be substituted for the corresponding pages.

This Errata is being filed to correct the following:

• The citation for *Southwest Power Pool, Inc.*, 140 FERC ¶ 61,225 (2012) is corrected to *Southwest Power Pool, Inc.*, 136 FERC ¶ 61,097 (2011).

If you have any questions regarding these corrections, please contact this office.

Sincerely,

stra Till,

Alisha Till Paralegal

Attachment

UM 1829

REDLINED VERSION

ERRATA PAGES vii, 52, 54

PGE'S RESPONSE BRIEF

Southwest Power Pool, Inc., <u>140-136</u> FERC ¶ 61, 225 <u>097</u> (20122011)	52, 54
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PUC Cases and Orders	
In the Matter of Investigation into Interconnection of PURPA Qualifying Facilities with Nameplate Capacity Larger than 20 Megawatts to a Public Utility's Transmission or Distribution System, Docket No. UM 1401, Order No. 10-132 (Apr. 7, 2010)	26, 27, 28, 76
In the Matter of PacifiCorp, dba Pacific Power, Application to Update Schedule 37 Qualifying Facility Info., Docket No. UM 1729, Order No. 18-289 (Aug. 9, 2018)	19
In the Matter of Portland Gen. Elec. Co., 2013 Integrated Resource Plan, Docket No. LC 56, Order No. 14-415 (Dec. 2, 2014)	13, 30, 35
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In the Matter of Pub. Util. Comm'n of Or. Staff Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610, Order No. 16-174 (May 13, 2016)	5, 58, 63, 69
In the Matter of Pub. Util. Comm'n of Or. Investigation into Qualifying Facility Contracting and Pricing, Docket No. UM 1610, Order No. 18-181 (May 23, 2018)	21, 41, 61, 69
In the Matter of Pub. Util. Comm'n of Or. Staff's Investigation Relating to Elec. Util. Purchases from Qualifying Facilities, Docket No. UM 1129, Order No. 07-360 (Aug. 20, 2007)	26

3. <u>None of the FERC case law the Blue Marmots cite suggests that QFs may</u> <u>deliver at a fully subscribed interface or are immune from the costs associated</u> <u>with doing so.</u>

The Blue Marmots cite a series of six FERC cases that they claim support their view that their sole obligation is to transmit their power to any point of their choosing at the edge of PGE's system, and that they are thereafter absolved of any responsibility—including responsibility for any additional costs necessary to accommodate their output.³¹¹ However, none of the cases cited by the Blue Marmots support their narrow conception of delivery or lack of cost accountability. On the contrary, each of these cases is premised on the assumption that the QF in question has the ability to successfully deliver its output to the purchasing utility—which the Blue Marmots cannot achieve. Moreover, as discussed below, these cases actually support PGE's position that the Blue Marmots are responsible for establishing delivery of their output where it can actually be received, and that the costs caused by the projects cannot be shifted to customers. The following discussion thus briefly reviews the implications of FERC's decisions addressing (1) curtailment-related issues in *Entergy*,³¹² *Exelon*,³¹³ *Southwest Power Pool*,³¹⁴ and *Pioneer Wind Park*,³¹⁵ (2) method of delivery issues in *PaTu*,³¹⁶ and (3) delivery point issues in *Kootenai*.³¹⁷

³¹¹ Blue Marmots' Opening Brief at 27-32. Note, while the Blue Marmots include *Delta Montrose* in their recitation of purportedly relevant FERC precedent, that case is cited for the separate proposition that a utility's mandatory purchase obligation must supplant even preexisting contractual obligations. Given that the Blue Marmots appear to be arguing that PGE is therefore required to relinquish any committed transmission reservations dedicated to EIM participation, PGE addresses the implications of this case in its EIM discussion above, in Section IV.B.1.b.

³¹² Entergy Services, Inc., 137 FERC ¶ 61,199 (Dec. 15, 2011).

³¹³ *Exelon Wind 1, LLC*, 140 FERC ¶ 61,152 (Aug. 28, 2012).

³¹⁴ Southwest Power Pool, Inc., <u>140-136</u> FERC ¶ 61, <u>225-097</u> (Sept. 20, 2012 Aug. 10, 2011).

³¹⁵ *Pioneer Wind Park*, 145 FERC ¶ 61,215.

³¹⁶ The *PáTu* proceeding actually involved a series of cases, including four substantive Commission orders, three FERC orders, and a D.C. Circuit decision. *PáTu Wind Farm, LLC v. Portland Gen. Elec. Co.*, Docket No. UM 1566, Order No. 12-316 (Aug. 21, 2012); Docket No. UM 1566, Order No. 12-494 (Dec. 20, 2012); Docket No. UM 1566, Order No. 14-287 (Aug. 13, 2014); Docket No. UM 1566, Order No. 14-425 (Dec. 8, 2014); *PáTu Wind Farm, LLC*, 150 FERC ¶ 61,032 (Jan. 22, 2015); *PáTu*, 151 FERC ¶ 61,223 (June 18, 2015), and *PáTu*, 154 FERC ¶ 61,167 (Mar. 3, 2016); *Portland Gen. Elec. Co. v. Fed. Energy Reg. Comm'n*, 854 F3d 692 (Apr. 25, 2017). The FERC decisions discussed here, 150 FERC ¶ 61,032 and 151 FERC ¶ 61,223, are those cited by the Blue Marmots. Blue Marmots' Opening Brief at 30-31.

³¹⁷ Kootenai Electric Cooperative, Inc., 143 FERC ¶ 61,232 (June 14, 2013).

would it require QFs to fund additional transmission delivery upgrades to avoid curtailment.³²⁴ As a result, FERC upheld this portion of the revised tariff.³²⁵

Third, in *Southwest Power Pool*, the utility proposed revisions to its OATT that would entail curtailing QFs selling on an as-available basis, specifically during periods of congestion.³²⁶ FERC rejected the tariff changes, noting that the proposed tariff revisions were broad and the implications unclear from the filing,³²⁷ while also observing that the proposal to curtail as-available QFs along with non-firm service might be inconsistent with FERC's limited, system-emergency exception for curtailment.³²⁸

Finally, in *Pioneer Wind Park*, an on-system QF seeking to enter a long-term, fixed-rate PPA objected to being offered a contract proposal that would have allowed the utility to curtail the QF's output ahead of utility resources during transmission capacity constraints.³²⁹ FERC clarified that, because the QF was not attempting to sell on an as-available basis, the utility was permitted to curtail the QF's output only during system emergencies.³³⁰ FERC further commented that the QF was not required "to obtain transmission service" necessary to deliver its output all the way "to the purchasing utility's load."³³¹

As the above decisions illustrate, QF output cannot be subject to curtailment outside of narrowly prescribed parameters. However, this fact does not suggest that QFs are immune from bearing the costs necessary to ensure that they can reliably deliver, or that the purchasing utility is prohibited from requiring a plan for reliable delivery through the contracting process. In fact, the preferential treatment of QF output required by PURPA places a special emphasis on ensuring deliverability during the initial onboarding process—and on maintaining a QF's responsibility for the associated costs, to protect utility customers from harm. FERC clearly envisions that QFs will

³²⁴ *Id.* at P51.

³²⁵ *Id*.

³²⁶ Southwest Power Pool, <u>140-136</u> FERC ¶ 61, <u>225-097</u> at P2.

³²⁷ *Id.* at PP12, 14.

³²⁸ *Id.* at P15 (citing 18 C.F.R. 292.307(b)).

³²⁹ *Pioneer Wind Park*, 145 FERC ¶ 61,215 at P3.

³³⁰ *Id.* at P36.

³³¹ Id. at P38.

UM 1829

CLEAN VERSION

ERRATA PAGES vii, 52, 54

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