

Public Utility Commission 201 High St SE Suite 100 Salem, OR 97301 Mailing Address: PO Box 1088 Salem, OR 97308-1088 Consumer Services 1-800-522-2404 Local: 503-378-6600 Administrative Services 503-373-7394

May 23, 2016

## Via Electronic Filing

OREGON PUBLIC UTILITY COMMISSION ATTENTION: FILING CENTER PO BOX: 1088 SALEM OR 97308-1088

## RE: <u>Docket No. UM 1050</u> – In the Matter of PACIFICORP, dba PACIFIC POWER, Petition for Approval of the 2017 PacifiCorp Inter-Jurisdictional Allocation Protocol

This errata filing is to correct Staff/200 Kaufman/4 which was filed on April 22, 2016

Lines 11-12 of Staff/200 Kaufman/4 as filed reads "Staff/202 provides an accounting of the difference between the initial ECD estimates and the final ECD estimates." This is incorrect.

The line should read "Staff/202 provides the historic ECD values for 2006 through 2014, preliminary values for 2015 and forecasted values for 2016 and 17."

A corrected version of Staff/200 Kaufman/4 is included with this filing.

/s/ Kay Barnes Kay Barnes PUC- Utility Program (503) 378-5763 kay.barnes@state.or.us Docket No. UM 1050

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## Q. Do you find that the likelihood of a high ECD is greater than a low ECD?

A. The ECD has consistently decreased over the last ten years. Many factors are incorporated into the calculation and estimation of the ECD. There is no tractable method of assigning probabilities to ECD outcomes. However, the historic trend for the ECD has been negative.<sup>4</sup> The factors causing the historic decrease in the ECD do not seem likely to reverse.<sup>5</sup>

ICNU's testimony presents ECD estimates<sup>6</sup> that rely on preliminary data generated by PacifiCorp and presented to parties on October 16, 2014.<sup>7</sup> The preliminary ECD estimates presented by ICNU are out of date and no longer accurate. Staff/202 provides the historic ECD values for 2006 through 2014, preliminary values for 2015 and forecasted values for 2016 and 17.

## Q. Are you aware of any reason the ECD could be lower than anticipated?

A. Yes, the Qualified Facilities (QF) contracts used to forecast the ECD include only active contracts.<sup>8</sup> I understand that PacifiCorp is involved in several new Utah QF contracts that have not become active yet. Utah QF tariff pays lower energy prices than the forecasted cost of all other generation. New Utah QFs appear to cost less than \$32 per MWh,<sup>9</sup> while the forecasted cost of all other

- <sup>4</sup> See Staff/202 Response to OPUC to PAC DR 30.
- <sup>5</sup> See Staff/203 Response to OPUC to PAC DR 32.
- <sup>6</sup> See ICNU/100 Mullins/3.
- <sup>7</sup> See Staff/204 Response to OPUC to PAC DR 52 and 53.
- <sup>8</sup> See Staff205 Response to OPUC to PAC DR 55.
- <sup>9</sup> See Staff/206 QF prices for Utah.