

**RICHARDSON & O'LLEARY A T T O R N E Y S A T L A W** Tel: 208-938-7900 Fax: 208-938-7904 P.O. Box 7218 Boise, ID 83707 - 515 N. 27th St. Boise, ID 83702

November 20, 2012

Public Utility Commission Attn: Filing Center 550 Capitol Street NE #215 PO Box 2148 Salem, OR 97308

## Re: UM 1182 – Errata Northwest and Intermountain Power Producers Coalition/100

Dear Filing Center:

Enclosed please find the Errata to the Northwest and Intermountain Power Producers Coalition's ("NIPPC") direct testimony for filing in the above-referenced docket. After filing direct testimony on November 16, 2012, NIPPC became aware that pages 18 and 31 of NIPPC/100 contained graphs with data points that are not clearly discernible on those pages. This Errata replaces pages 18 and 31 of NIPPC/100 to provide data points that are discernible in the graphs on those pages. There are no other changes contained in the Errata.

We are providing the Commission with an original and (5) copies of the Errata filing.

Please contact me with any questions. Thank you for your assistance.

Sincerely,

Gregory M. Adams Attorney for the Northwest and Intermountain Power Producers Coalition

Enc.

### **BEFORE THE**

## PUBLIC UTILITY COMMISSION OF OREGON

#### UM 1182

### PHASE 2

	)
In the Matter of	)
NORTHWEST AND INTERMOUNTAIN	)
POWER PRODUCERS COALITION	)
	)
Petition for an Investigation Regarding	)
Competitive Bidding	)
	)

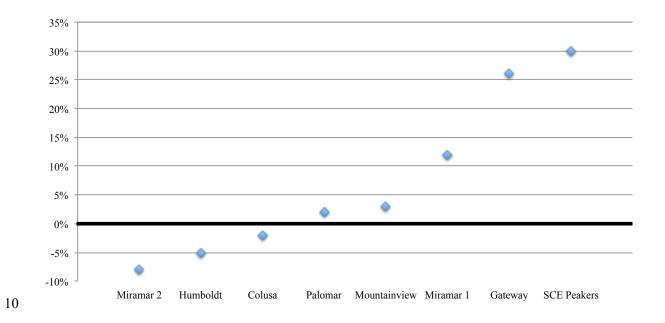
# ERRATA TO

Northwest and Intermountain Power Producers Coalition Exhibit 100 Direct Testimony of William A. Monsen

# **REDACTED VERSION**

November 20, 2012

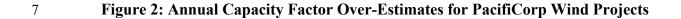
1	runs and under-runs for each of the California plants analyzed. <sup>29</sup> As shown, the final costs
2	for all three plants that came in under budget were within 10% of the approved values for
3	these plants. Of the five plants that came in over budget, only two had final costs within
4	10% of the budgeted amounts and two had final costs more than 25% above their
5	budgeted amounts. This illustrates that cost over-runs have the potential to be much
6	greater in magnitude than cost under-runs. This creates significant risk for ratepayers,
7	who are generally liable for cost over-runs, as they were for the cost over-runs
8	represented in the figure below. <sup>30</sup>

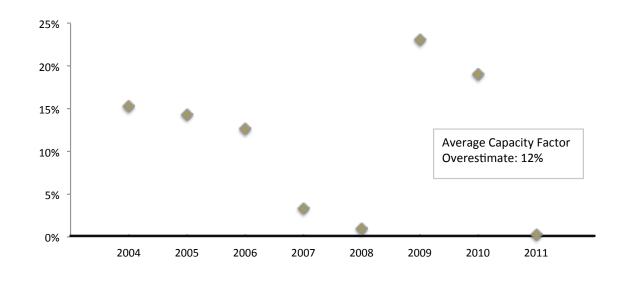


#### Figure 1: Distribution of Construction Cost Changes in California Plants 9

 <sup>&</sup>lt;sup>29</sup> The four SCE peaker plants are shown on a consolidated basis.
<sup>30</sup> None of these plants had costs disallowed by regulators, even though they exceeded original cost estimates.

1		year for which this data was available to the expected capacity factor for the plant to
2		obtain the observed under- or over-estimate. I took a capacity-weighted average of all of
3		these data points to obtain an overall average capacity factor over-estimate of 11.7%.
4	Q.	Please describe your findings.
5	A.	The following figure illustrates the capacity factor over-estimates on an annual basis,
6		beginning in 2004.





5. Direct Testimony of Mark Widmer on behalf of PacifiCorp, before the Public Service Commission of Utah, Proceeding 99-035-10, September 20, 1999, page 11, excerpt presented in NIPPC Exhibit 131.

The fourth source, Exhibit 3.2R of the Rebuttal Testimony for Phase II of Charles E. Peterson, includes a list of expected wind capacity factors that is cited "from an unsourced spreadsheet in possession of Division." Since the data source is unclear, as is the meaning of "expected" in this context, when data were available from an alternate source, I relied on the alternate source in place of this source. Had I instead used this data source as my primary data source, I would have calculated a higher capacity factor over-estimate, so my capacity factor adder is a conservative value.

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#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on the 20<sup>th</sup> day of November, 2012, a true and correct copy of the within and foregoing ERRATA - THE NORTHWEST AND INTERMOUNTAIN POWER PRODUCERS COALITION/100 was served to the following parties as shown:

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up antis Signed Nina Curtis