

WENDY MCINDOO Direct (503) 290-3627 wendy@mrg-law.com

January 18, 2018

VIA ELECTRONIC FILING

PUC Filing Center Public Utility Commission of Oregon PO Box 1088 Salem, OR 97308-1088

UM 1829 - Portland General Electric Company's Errata to Response Re: Testimony

Attention Filing Center:

Portland General Electric Company requests that the enclosed Errata-pages 10 and 25-26 of the Greene-Moore Response Testimony and page 14 of the Afranji-Larson-Richard Response Testimony—be substituted for the corresponding pages.

These Errata are filed to correct the following:

- A typographical error on page 10, line 3 of the Greene-Moore Response Testimony (PGE/100);
- A calculation error and missing footnote on page 25, line 11 of the Greene-Moore Response Testimony (PGE/100), which increases the amount of text on page 26; and
- An error in the description of PacifiCorp's OASIS on page 14, lines 13-17 of the Afranji-Larson Richard Response Testimony (PGE/300).

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

Very truly yours,

Wendy McIndoo

Office Manager

Attachments

UM 1829

REDLINED VERSION

ERRATA PAGES 10, 25-26

RESPONSE TESTIMONY OF BRETT GREENE AND GEOFFREY MOORE (PGE/100)

ERRATA PAGE 14

RESPONSE TESTIMONY OF FRANK AFRANJI, SEAN LARSON, AND MATTHEW RICHARD (PGE/300)

1and we will use PACW-PGE interface when referencing the interface as a whole.2When referring to the path on PGE's system between PGE and the PACW-PGE3interface, we will use PGE-to-PACWPACW-to-PGE path. The following figure is a4conceptual diagram of the PACW-PGE interface.

Figure 1: PACW-PGE interface



PACW OASIS Reservation Points
 PGE OASIS Reservation Points
 Note 1 – The PACW OASIS Reservation Point is associated with the PACW.PGE scheduling point.

```
    5 Q. Please explain how PGE's QF contracting personnel became aware of the
    6 constraint at the PACW-PGE interface.
```

A. On April 5, 2017, Mr. Moore, was talking with one of the PGE employees
responsible for QF contracting, John Morton, about PGE's reservation of all
remaining ATC on the PACW-to-PGE path for participation in the EIM. Mr. Morton
had just recently completed negotiations and executed a Schedule 202 PPA with
Airport Solar—a 47 MW solar QF located in PacifiCorp territory that planned to
deliver via the PACW-PGE interface—and so became concerned about the impact of

UM 1829 - Response Testimony of Brett Greene and Geoffrey Moore

1 2

to a specific POD, suggesting that the utility is required to accept an off-system OF's output at any point on its system.²³ What is your response?

A. Again, we are not lawyers and will not address this legal assertion. However, from a
policy standpoint, this position is flawed. In the case of the Blue Marmots, there is an
interface on PGE's system where PGE can accept the Blue Marmots' output without
compromising PGE's ability to participate in the EIM or imposing upgrade costs. We
understand that delivery to PGE at the BPA-PGE interface will involve additional
expense for the Blue Marmots. However, that is a cost that the Blue Marmots should
be able to absorb—a point the Blue Marmots have not clearly contested.

10PGE estimates that the Blue Marmots' total revenues under the PPAs could11exceed \$160200 million.²⁴ PGE's customers should not be required to relinquish the12benefits expected from EIM participation or incur upgrade costs to save EDPR—a13multi-national development corporation—\$14 million over the next fifteen years.

Q. EDPR has also suggested that PGE should pay for any upgrades necessary to accept the Blue Marmots' output at the PACW-PGE interface.²⁵ Do you agree that is appropriate?

A. No, we do not. First, as discussed in detail in the Transmission Testimony, there is no
method by which the PACW-PGE interface can be upgraded to increase the TTC on
the PACW-to-PGE path sufficient to deliver the Blue Marmots' generation. If the

²³ Blue Marmot/300, Moyer/7.

²⁴ PGE used the average 24-hour profile of generation (MWh) and the annual degradation factor provided in the Blue Marmots' IIRs to estimate total monthly MWh, by year, over the 15-year term of fixed prices in the PPAs. Using this estimate, the monthly generation was divided into on-peak and off-peak estimates by assuming that four days of each month (96 hours) are either a Sunday or NERC holiday because these are types of days for which all hours are designated off-peak. PGE understands that certain hours of Monday-Saturday (non-NERC holidays) are off-peak; however, there was insufficient detail to create estimates for such hours. Furthermore, because the Blue Marmots are solar facilities, it is unlikely that a substantial amount of generation would occur during these Monday-Saturday off-peak hours. Using the generation estimates for each project and the pricing from the Blue Marmots' PPAs, PGE calculated the estimated annual revenue over a 15-year period for all of the Blue Marmots.

²⁵ Blue Marmot/300, Moyer/5, 16-17.

Blue Marmots continue to refuse to deliver their output to the BPA-PGE interface, then the only solution would be for the Blue Marmots to build a generation lead line from their facilities directly to PGE's Bethel substation, avoiding the PACW-PGE interface, and directly interconnecting to PGE's system. It is entirely inappropriate to suggest that the cost of this project—or any other transmission upgrade made on the Blue Marmots' behalf—be borne by PGE's retail customers.

EDPR chose to site their projects hundreds of miles from PGE's service
territory, and have determined to sell their output to PGE, as opposed to PacifiCorp—
the utility to which they are directly interconnected. They should not be allowed to
shift the financial consequences of those decisions to PGE's customers.

11 Q. Does this conclude your direct testimony?

12 A. Yes.

system, an E-Tag must map a valid path from source to sink in order for the energy to be
 transmitted.

If a customer is scheduling transmission over the systems of multiple transmission providers, each transmission provider affected must validate the E-Tag for the transmission over their own system. If a customer submits an E-Tag using another transmission customer's reservation number, the customer who holds the reservation also must approve the E-Tag before it is validated. If a customer submits an E-Tag that cannot be validated, then the transmission service cannot be scheduled, and the power will not be delivered or received.

THE PACW-TO-PGE PATH

10 Q. Which transmission path is at issue in this case?

11 A. The Blue Marmots seek to deliver their output to PGE through the PACW-PGE interface, 12 which means that it must travel into PGE's system over the PACW-to-PGE path. On 13 PacifiCorp's side of the interface, there are three is an OASIS reservation points and three 14 a scheduling points "Bethel," "Gresham," and named "PACW.PGE," - that which is are 15 used to procure and schedule transmission to or from PGE's BAA. PGE's side of the 16 interface has these same three a scheduling point called "PACW.PGE,"s, but all which is are 17 mapped to a singlethe OASIS reservation point_"PACW." The Blue Marmots have 18 reserved transmission from PacifiCorp to PacifiCorp's PACW.PGE reservation point.

19 Q. What is the TTC on the PACW-to-PGE path?

A. The TTC on the path differs in the summer (May 1 to October 31) and in the winter (November 1 to April 30) because transmission facilities can transfer more power without overheating in cooler weather. Currently, the winter rating on the path is 415 MW and the summer rating is 320 MW. Because the summer rating is lower, it dictates the maximum long-term firm ATC on the path, and we generally refer to the summer TTC value as the path's TTC.

UM 1829

CLEAN VERSION

ERRATA PAGES 10, 25-26

RESPONSE TESTIMONY OF BRETT GREENE AND GEOFFREY MOORE (PGE/100)

ERRATA PAGE 14

RESPONSE TESTIMONY OF FRANK AFRANJI, SEAN LARSON, AND MATTHEW RICHARD (PGE/300)

and we will use PACW-PGE interface when referencing the interface as a whole.
 When referring to the path on PGE's system between PGE and the PACW-PGE
 interface, we will use PACW-to-PGE path. The following figure is a conceptual
 diagram of the PACW-PGE interface.





PACW OASIS Reservation Points
 PGE OASIS Reservation Points
 Note 1 – The PACW OASIS Reservation Point is associated with the PACW.PGE scheduling point.

5 Q. Please explain how PGE's QF contracting personnel became aware of the 6 constraint at the PACW-PGE interface.

A. On April 5, 2017, Mr. Moore, was talking with one of the PGE employees
responsible for QF contracting, John Morton, about PGE's reservation of all
remaining ATC on the PACW-to-PGE path for participation in the EIM. Mr. Morton
had just recently completed negotiations and executed a Schedule 202 PPA with
Airport Solar—a 47 MW solar QF located in PacifiCorp territory that planned to
deliver via the PACW-PGE interface—and so became concerned about the impact of

1 2

to a specific POD, suggesting that the utility is required to accept an off-system QF's output at any point on its system.²³ What is your response?

- A. Again, we are not lawyers and will not address this legal assertion. However, from a policy standpoint, this position is flawed. In the case of the Blue Marmots, there is an interface on PGE's system where PGE can accept the Blue Marmots' output without compromising PGE's ability to participate in the EIM or imposing upgrade costs. We understand that delivery to PGE at the BPA-PGE interface will involve additional expense for the Blue Marmots. However, that is a cost that the Blue Marmots should be able to absorb—a point the Blue Marmots have not clearly contested.
- 10PGE estimates that the Blue Marmots' total revenues under the PPAs could11exceed \$160 million.²⁴PGE's customers should not be required to relinquish the12benefits expected from EIM participation or incur upgrade costs to save EDPR—a13multi-national development corporation—\$14 million over the next fifteen years.

Q. EDPR has also suggested that PGE should pay for any upgrades necessary to accept the Blue Marmots' output at the PACW-PGE interface.²⁵ Do you agree that is appropriate?

A. No, we do not. First, as discussed in detail in the Transmission Testimony, there is no
method by which the PACW-PGE interface can be upgraded to increase the TTC on
the PACW-to-PGE path sufficient to deliver the Blue Marmots' generation. If the

²³ Blue Marmot/300, Moyer/7.

²⁴ PGE used the average 24-hour profile of generation (MWh) and the annual degradation factor provided in the Blue Marmots' IIRs to estimate total monthly MWh, by year, over the 15-year term of fixed prices in the PPAs. Using this estimate, the monthly generation was divided into on-peak and off-peak estimates by assuming that four days of each month (96 hours) are either a Sunday or NERC holiday because these are types of days for which all hours are designated off-peak. PGE understands that certain hours of Monday-Saturday (non-NERC holidays) are off-peak; however, there was insufficient detail to create estimates for such hours. Furthermore, because the Blue Marmots are solar facilities, it is unlikely that a substantial amount of generation would occur during these Monday-Saturday off-peak hours. Using the generation estimates for each project and the pricing from the Blue Marmots' PPAs, PGE calculated the estimated annual revenue over a 15-year period for all of the Blue Marmots.

²⁵ Blue Marmot/300, Moyer/5, 16-17.

Blue Marmots continue to refuse to deliver their output to the BPA-PGE interface, then the only solution would be for the Blue Marmots to build a generation lead line from their facilities directly to PGE's Bethel substation, avoiding the PACW-PGE interface, and directly interconnecting to PGE's system. It is entirely inappropriate to suggest that the cost of this project—or any other transmission upgrade made on the Blue Marmots' behalf—be borne by PGE's retail customers.

EDPR chose to site their projects hundreds of miles from PGE's service
territory, and have determined to sell their output to PGE, as opposed to PacifiCorp—
the utility to which they are directly interconnected. They should not be allowed to
shift the financial consequences of those decisions to PGE's customers.

11 Q. Does this conclude your direct testimony?

12 A. Yes.

system, an E-Tag must map a valid path from source to sink in order for the energy to be
 transmitted.

If a customer is scheduling transmission over the systems of multiple transmission providers, each transmission provider affected must validate the E-Tag for the transmission over their own system. If a customer submits an E-Tag using another transmission customer's reservation number, the customer who holds the reservation also must approve the E-Tag before it is validated. If a customer submits an E-Tag that cannot be validated, then the transmission service cannot be scheduled, and the power will not be delivered or received.

THE PACW-TO-PGE PATH

10 Q. Which transmission path is at issue in this case?

A. The Blue Marmots seek to deliver their output to PGE through the PACW-PGE interface,
which means that it must travel into PGE's system over the PACW-to-PGE path. On
PacifiCorp's side of the interface, there is an OASIS reservation point and a scheduling
point named "PACW.PGE," which is used to procure and schedule transmission to or from
PGE's BAA. PGE's side of the interface has a scheduling point called "PACW.PGE,"
which is mapped to the OASIS reservation point "PACW." The Blue Marmots have
reserved transmission from PacifiCorp to PacifiCorp's PACW.PGE reservation point.

18 Q. What is the TTC on the PACW-to-PGE path?

A. The TTC on the path differs in the summer (May 1 to October 31) and in the winter (November 1 to April 30) because transmission facilities can transfer more power without overheating in cooler weather. Currently, the winter rating on the path is 415 MW and the summer rating is 320 MW. Because the summer rating is lower, it dictates the maximum long-term firm ATC on the path, and we generally refer to the summer TTC value as the path's TTC.

25