

ORDER NO. 18 087

ENTERED MAR 19 2018

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

AR 600

In the Matter of Rulemaking Regarding  
Allowances for Diverse Ownership of  
Renewable Energy Resources.

ORDER

**DISPOSITION: POLICY DIRECTION PROVIDED**

This order memorializes direction we provided to our Staff in this docket as part of our March 6, 2018 Commission workshop. After engaging Staff and stakeholders in a question and answer exercise regarding several policy questions, we provided policy guidance to Staff.

We asked Staff to make revisions to draft competitive bidding rules, and to present those revised rules with a recommendation for filing with the Secretary of State at a public meeting in the near future. Those revisions are as follows:

- a. Addition of a section on the purpose of the rules. In addition to describing the overall purpose of these rules, this section should be clear that the intent with respect to any differentiation between requests for proposals (RFPs) with utility-owned resources and those with no utility-owned resources is not to discourage the former or favor any particular RFP outcome in terms of ownership structure.
- b. Clarification that the rules are not intended to require competitive bidding of transmission projects.
- c. Amendment to proposed rule OAR 860-0XX-0300 to eliminate the requirement that an explanation of customer interest be provided where an electric company will not allow the use of elements of its benchmark bid by third-parties, and replacement with a clear encouragement to electric companies to make these benchmark elements available to third party bidders as part of an RFP.

- d. Revisions to revert proposed bid scoring language in OAR 860-0XX-0450(5) to reflect our current guidelines, while adding flexibility for parties to request that we require the scoring of all bids where appropriate. The current draft provision requires the independent evaluator (IE) to score all bids, while our existing guideline 10 (d) permits the IE to score all or a sample of submitted bids.
- e. Removal of proposed rule OAR 860-0XX-0400(5)(b). We find that this provision lacks clarity. The proponents of this financial due diligence provision are welcome to tighten its language and clarify its intent, then propose the provision again as this rulemaking process continues if they so desire.

Additionally, we note that we wish to see more data and information from Staff regarding IE costs in a variety of scenarios. As discussed in the workshop, we believe that part of the rationale for the proposal to allow exemption from the IE retention requirement in the case of an RFP that does not contemplate electric company ownership of resources is cost savings. We expect Staff to provide analysis to us during the public comment portion of this proceeding on IE costs.

The Commission workshop was intended to provide initial guidance on certain major issues in this rulemaking and does not indicate final approval of any rule language that may be filed with the Secretary of State. As this rulemaking proceeds under an adopted schedule, the Commission will solicit and review comments from interested stakeholders and the public and interested stakeholders.

### ORDER

IT IS ORDERED that:

1. Staff make revisions to proposed rules consistent with this order and file those revisions in this docket no later than April 10, 2018, to provide time for stakeholder comment and Commission review before the April 24, 2018 Public Meeting.

2. Staff provide the Commission analysis relating to IE costs during the public comment period adopted for the formal rulemaking.

Made, entered, and effective MAR 19 2018

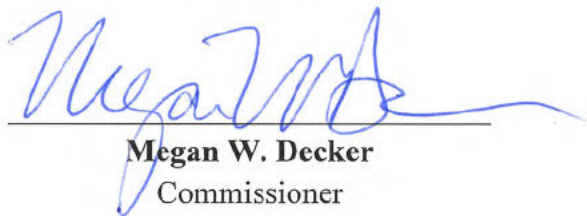


**Lisa D. Hardie**  
Chair



**Stephen M. Bloom**  
Commissioner





**Megan W. Decker**  
Commissioner

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.