



JUICE

News from NIPPC

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Welcome to Juice

"Juice" as in electricity - after all, Northwest independent power producers generate a lot of it. NIPPC's modest e-letter will go out whenever NIPPC staff come across something worth sharing with you.

Salem Looks Under the Hood **NIPPC-sponsored bill calls for broad study of IOUs' role**



Early this month NIPPC converted its ambitious "market first" legislation into a "study bill" and now it's on its way to enactment. [Senate Bill 978-3](#) directs the Oregon Public Utility Commission to broadly examine how radical, rapid change now roiling the power sector challenges the century old utility business model and accompanying regulatory compact.

SB 978-3 passed unanimously out of the Senate's Business & Transportation Committee on April 17th. Committee chair Senator Lee

Beyer who formerly led the OPUC, voted to "encourage" the commission to investigate issues NIPPC raised in its original form, including regulatory incentives that perversely push IOUs into ballooning capital investments and releasing biased resource RFPs.

The bill calls for the commission to report its initial findings by mid-September and complete the full investigation by mid-2019.

Ichrio appearing as a Marlin in likely his last appearance at SAFECO Field delivered a 9th inning homerun to the cheers of Mariner fans. [Click](#) and scroll down to soak up the joy for the Japan's finest!

It's Not Easy Being Green **Renewable Direct Access Bill "Tabled" - For Now**



NIPPC's second bill, [SB 979-2](#), linked voluntary renewable energy acquisition to economic development. The more expansive [original bill](#) would have breathed new life into Oregon's anemic direct access program and allow both new and existing Oregon businesses to leave cost of service and lean on the market to go 100% renewable.

Testifying before the Oregon Senate's Business and Transportation Committee on April 3rd, businesses and leading renewable advocates urged the Legislature to prod the OPUC to act. Microsoft, Walmart, TechNet, Industrial Customers of Northwest Utilities testified for SB 979 along with the Oregon Solar Energy Industries Association, Community Renewable Energy Association and others. The committee received nearly 50 letters supporting passage.

As the committee's April 17th work session approached, NIPPC ramped back its bill in response to the OPUC's concerns raised at the hearing. The final version, SB 979-2, only exempted new load from paying exit fees while strategically tweaking the commission's

direct access policy. But in the end Senator Beyer, who had brought SB 979 up before his committee and expressed sympathy for it, withheld a committee vote. His explanation echoed the IOUs' argument that the OPUC has existing authority to enable direct access if it so chooses.

Still, Chair Beyer wants to see progress. He called OPUC Chair Lisa Hardie last weekend and shared with the committee that "they see that change [is needed]...and perhaps [will] take a little more supportive look than they have in the past." Adding, "what I told Chair Hardie is that...if it seemed like the [commissioners] were not going that way we would be back in about eight months and we would take another look at it."

"It's as if the committee tabled 979," said Robert Kahn, NIPPC Executive Director, "chair Beyer made clear he wants progress on renewable direct access and presumably would rather not see those testifying for SB 979 turn up before his committee again."

The full transcript of Monday's work session is available [HERE](#).

Peace in Our Time **WUTC calmly takes up PURPA**



While regulatory commissions in other western states are "PURPA War" veterans, the Washington Utilities and Transportation Commission is proactively considering how to better apply the venerable federal law to the three IOUs it regulates.

The commission opened a new docket, U-161024, as declining technology costs, have triggered developers' interest in Washington

State. The commission's [invitation to comment](#) poses targeted, pointed questions for utilities and stakeholders to address. The docket will likely serve as more graduate level seminar than trench combat. Washington has a chance to get right with PURPA.

NIPPC, in collaboration with the Renewable Energy Coalition, submitted detailed [opening comments](#) drawing on lessons learned - or unlearned - as commissions across the region responded to growing QF development and utility attacks on states' PURPA policies. The coalitions' comments addressed such fundamentals as: eligible project size (10 MW); treatment of capacity payments (reality-based); and avoided costs (based on pricing for demand response or a new CCCT).

NIPPC and REC asked the commission to adopt simple and unambiguous policies that can be implemented consistently by all three utilities, reduce litigation, and provide new QF developers and Washington's few extant QFs with as much long-term certainty as possible.