



JUICE

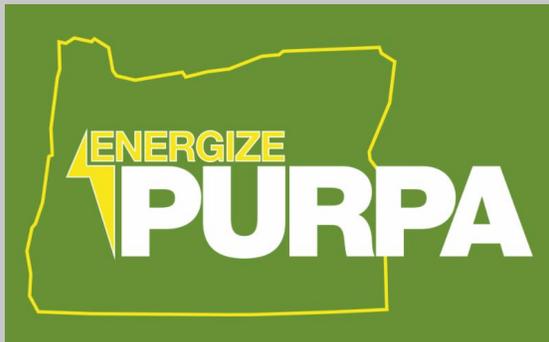
News from NIPPC

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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.

Energize PURPA **Allies Work the Legislature**



The Legislature is considering a bill to protect operating PURPA projects and support new "community energy" projects in Oregon. Two aligned pieces of legislation were championed before the House of Representatives' Energy & Environment Committee on March 24th. Fifty supporters testified and sent in letters.

After the hearing, NIPPC, the Community Renewable Energy Association (CREA) and Renewable Energy Coalition (REC) melded

their bill, HB 2857, with the nearly identical HB 3274, sponsored by the Oregon Water Resources Congress (OWRC).

The legislation described [HERE](#), implements among other things, the 8% set aside for small, in-state projects originally called for in Oregon's RPS; assures capacity payments for legacy renewable power contracts; and sets standardized new PURPA contracts at or below 10 megawatts.

The IOUs predictably oppose passage spinning PURPA projects as costly when at or below avoided cost they're not. Time will tell if legislators "get" it.

Earthrise **Let's not take ourselves too seriously**

Be sure to see [Apollo 11](#) in the theaters; it's wonderful. BUT The essence of the meaning of NASA's Apollo program is captured [HERE](#) in this poignant 20-minute documentary. Learn how the Apollo 8 astronauts brought back the unforgettable Earthrise photo and what seeing Earth from that unique perspective meant to them.

One unmistakable judicial opinion **The Montana PSC gets a 2x4 of a PURPA Opinion**

You know you're in for a special legal treat when a judge opens his ruling by quoting Lily Tomlin. Judge James Manley of Montana's 8th Judicial District did just that on April 2nd citing the comedienne's observation that "No matter how cynical you get, it's impossible to keep up."



Judge Manley vacated a Montana Public Service Commission decision, reached nearly two years ago, which hobbled PURPA development in the state. [He found the commission's policy](#) made renewable energy development, "economically unfeasible thereby eliminating competition" and cited the commission itself as "rogue."

Commissioner Bob Lake's recorded off-mike comment that the commission decision was intended to kill development took the case viral. [Utility Dive](#) covered this and other drama surrounding the case.

Manley was at his mildest when he found the commission, which had squeezed Northwestern Energy into the same contractual timetable, "lacked substantial evidence" to justify its decision. Manley lambasted the commission for a policy he called "arbitrary and unreasonable."

Manley turned the commission's original ruling on its head. He set QF contract lengths to 25 years, raised avoided cost rates and inserted a carbon adder, which staff had proposed but the commission had rejected.

The judge's ruling should echo around the west as commissions wrestle with PURPA. So should [Idaho Power's announced 20-year PPA](#) with IPP Jackpot Holding for a 120 MW solar project starting at \$21.75 per MWh. The common message: long-term contract terms bring value.

Warning flag goes up **Randy Hardy Warns of PNW Capacity Shortfall**



No one calls a spade a spade better than Randy Hardy, former BPA Administrator and long-time regional consultant. With help from Larry Kitchen, Hardy concisely lays out the impending reality of a broad regional capacity shortage over the next ten years. The [must-read report](#) begins by citing a [major study by E3](#) and goes on from there. Hardy's matter of fact analysis belies real concern for reliability, resource adequacy and affordable power prices.

Take the time to read "Future Northwest Capacity Shortages" and circulate it widely. It's time to begin building a lot of renewables, storage - especially pumped storage - and transmission infrastructure. And, as Hardy would have it, western state policy makers need to look hard at the still vital role of thermal generation.