

# Sanger Law PC

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September 1, 2020

## Via Electronic Mail

Donald Light  
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Re: In the Matter of PUBLIC UTILITY COMMISSION OF OREGON, Investigation into the  
Treatment of Network Upgrade Costs for Qualifying Facilities  
Docket No. UM 2032

Dear Donald, Lisa:

Please find the Northwest and Intermountain Power Producers Coalition's ("NIPPC") first set of data requests to Portland General Electric ("PGE") in this proceeding. PGE has fourteen days to respond to these data requests, or by September 15, 2020.

Please do not hesitate to contact me with any questions.

Sincerely,

/s/ Irion Sanger  
Irion Sanger

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 2032**

In the Matter of	)	
	)	NORTHWEST AND
PUBLIC UTILITY COMMISSION OF	)	INTERMOUNTAIN POWER
OREGON,	)	PRODUCERS COALITION’S FIRST
	)	SET OF DATA REQUESTS TO PGE
Investigation into the Treatment of Network	)	
<u>Upgrade Costs for Qualifying Facilities</u>	)	

Dated: September 1, 2020

I. DEFINITIONS

1. “Documents” refers to all writings and records of every type in your possession, control, or custody, whether or not claimed to be privileged or otherwise excludable from discovery, including but not limited to: testimony and exhibits, memoranda, papers, correspondence, letters, reports (including drafts, preliminary, intermediate, and final reports), surveys, analyses, studies (including economic and market studies), summaries, comparisons, tabulations, bills, invoices, statements of services rendered, charts, books, pamphlets, photographs, maps, bulletins, corporate or other minutes, notes, diaries, log sheets, ledgers, transcripts, microfilm, microfiche, computer data (including E-mail), computer files, computer tapes, computer inputs, computer outputs and printouts, vouchers, accounting statements, budgets, workpapers, engineering diagrams (including “one-line” diagrams), mechanical and electrical recordings, telephone and telegraphic communications, speeches, and all other records, written, electrical, mechanical, or otherwise, and drafts of any of the above.

“Documents” include copies of documents, where the originals are not in your possession, custody, or control.

“Documents” include every copy of a document, which contains handwritten or other notations, or which otherwise does not duplicate the original or any other copy.

“Documents” also include any attachments or appendices to any document.

2. “Identification” and “identify” mean:

When used with respect to a document, stating the nature of the document (e.g., letter, memorandum, corporate minutes); the date, if any, appearing thereon; the date, if known, on which the document was prepared; the title of the document; the general subject matter of the document; the number of pages comprising the document; the identity of each

person who wrote, dictated, or otherwise participated in the preparation of the document; the identity of each person who signed or initiated the document; the identity of each person to whom the document was addressed; the identity of each person who received the document or reviewed it; the location of the document; and the identity of each person having possession, custody, or control of the document.

When used with respect to a person, stating his or her full name; his or her most recently known home and business addresses and telephone numbers; his or her present title and position; and his or her present and prior connections or associations with any participant or party to this proceeding.

3. “PGE” refers to Portland General Electric Company or any officer, director, or employee of Portland General Electric Company, or any affiliated company.
4. “Person” refers to, without limiting the generality of its meaning, every natural person, corporation, partnership, association (whether formally organized or ad hoc), joint venture, unit operation, cooperative, municipality, commission, governmental body or agency, or any other group or organization.
5. “Studies” or “study” includes, without limitation, reports, reviews, analyses, and audits.
6. The terms “and” and “or” shall be construed either disjunctively or conjunctively whenever appropriate to bring within the scope of this discovery any information or documents that might otherwise be considered beyond their scope.
7. The singular form of a word shall be interpreted as plural, and the plural form of a word shall be interpreted as singular whenever appropriate to bring within the scope of this discovery request any information or documents that might otherwise be considered beyond their scope.

## II. INSTRUCTIONS

1. These requests call for all information, which includes information contained in documents relating to the subject matter of the Data Request, and information known or available to you.
2. Where a Data Request has several separate subdivisions or related parts or portions, a complete response is required to each such subdivision, part, or portion. Any objection to a Data Request should clearly indicate which subdivision, part, or portion of the Data Request it directly relates to.
3. The time period encompassed by these Data Requests is from 2005 to the present unless otherwise specified.

4. Each response should be furnished on a separate page. In addition to hard copy, electronic versions of the document, including studies and analyses, must also be furnished if available.
5. If you cannot answer a Data Request in full after exercising due diligence to secure the information necessary to do so, state the answer to the extent possible, why you cannot answer the Data Request in full, and what information or knowledge you have concerning the unanswered portions.
6. If, in answering any of these Data Requests, you feel that any Data Request or definition or instruction applicable thereto is ambiguous, set forth the language you feel is ambiguous and the interpretation you are using in responding to the Data Request.
7. If a document requested is unavailable, identify the document, describe in detail the reasons the document is unavailable, state where the document can be obtained, and specify the number of pages it contains.
8. If you assert that any document has been destroyed, state when and why it was destroyed and identify the person who directed its destruction. If the document was destroyed pursuant to your document destruction program, identify and produce a copy of the guideline, policy, or company manual describing your document destruction program.
9. If you refuse to respond to any Data Request by reason of a claim of privilege, confidentiality, or for any other reason, state in writing the type of privilege claimed and the facts and circumstances you rely upon to support the claim of privilege or the reason for refusing to respond. With respect to requests for documents to which you refuse to respond, identify each such document, and specify the number of pages it contains. Please provide: (a) a brief description of the document; (b) date of document; (c) name of each author or preparer; (d) name of each person who received the document; and (e) the reason for withholding it and a statement of facts constituting the justification and basis for withholding it.
10. Identify the person from whom the information and documents supplied in response to each Data Request were obtained, the person who prepared each response, the person who reviewed each response, and the person who will bear ultimate responsibility for the truth of each response.
11. If no document is responsive to a Data Request that calls for a document, then so state.
12. These requests for documents and responses are continuing in character so as to require you to file supplemental answers as soon as possible if you obtain further or different information. Any supplemental answer should refer to the date and use the number of the original request or subpart thereof.

13. Whenever these Data Requests specifically request an answer rather than the identification of documents, the answer is required and the production of documents in lieu thereof will not substitute for an answer.
14. To the extent that the Company believes it is burdensome to produce specific information requested, please contact NIPPC to discuss the problem and determine if the request can be modified to pose less difficulty in responding before filing an answer objecting to the specific information requested.
15. To the extent the Company objects to any of these requests, please contact NIPPC to determine if the request can be modified to produce a less objectionable request.

### III. FIRST SET OF DATA REQUESTS:

1. Identify each QF project PGE has entered into a contract with and identify if PGE has designated it a network resource.
2. Please indicate whether PGE interconnected each state jurisdictional qualifying facility interconnection as an energy or network resource.
3. For each state jurisdictional qualifying facility interconnection, please provide (or identify a publicly available location for accessing) the feasibility study, system impact study, facilities study, interconnection study, the final accounting with actual interconnection costs, and identify all network upgrades.
4. For each Federal Energy Regulatory Commission (“FERC”)-jurisdictional qualifying facility interconnection (e.g., a QF interconnecting to PGE but selling their net output to a different utility), please provide or identify a publicly available location for the feasibility study, system impact study, facilities study, interconnection study, the final accounting with actual interconnection costs, and identify all network upgrades.
5. FERC defines Network Upgrades as facilities at or beyond the point of interconnection: “Facilities beyond the Point of Interconnection are part of the Transmission Provider’s Transmission System and benefit all users.” (Order No. 2003, at P. 65.) Does PGE disagree with FERC’s statement that facilities beyond the Point of Interconnection benefit all users of the system? If so, please explain why.
6. In Order No. 2003, 105 FERC ¶ 61,103, at P 696 (July 24, 2003), FERC stated:

As the Commission stated in the NOPR, a number of aspects of the "but for" approach are subjective, and a Transmission Provider that is not an independent entity has the ability and the incentive to exploit this subjectivity to its own advantage. For example, such a Transmission Provider has an incentive to find that a disproportionate share of the costs of expansions needed to serve its own power customers is attributable to competing Interconnection Customers. The Commission would find any policy that creates opportunities for such discriminatory behavior to be unacceptable. Furthermore,

none of the commenters in this proceeding has convinced the Commission that, in the absence of independence, it is possible to implement a "but for" pricing approach that avoids this inherent subjectivity.

- a. Does PGE agree that it is not an “independent entity” as described in the quote above?
  - b. Does PGE agree that the “but for” approach is subjective?
  - c. What steps does PGE take to overcome its non-independence and the inherent subjectivity in determining the but for costs of network upgrades?
7. For each QF that has interconnected to PGE’s system and achieved commercial operation in the past 30 years to sell 100 percent of the net output to PGE and is thus a state-jurisdictional interconnection, provide the following information:
- a. Capacity of the facility (as measured by interconnection capacity);
  - b. Type of generation resource (e.g., wind, solar, hydropower);
  - c. Cost of Interconnection Facilities (using the definition in FERC’s Order No. 2003, which is facilities up to the point of interconnection), including both costs in the final Facilities Study and the actual costs after construction was complete;
  - d. Cost of Network Upgrades (using the definition in FERC’s Order No. 2003, which is facilities at or beyond the point of interconnection) including both costs in the final Facilities Study and the actual costs after construction was complete;
  - e. If the amounts for any facilities in (c) and (d) for the final Facilities Study and the actual costs after construction differ, explain the reason for the difference.
  - f. For the Network Upgrades identified in subpart D for each facility, please explain whether PGE agrees that any of the facilities are used by other users of the system or PGE and identify facilities not used solely by the QF.
8. For each generator that has interconnected to PGE’s system and achieved commercial operation in the past 30 years under a FERC-jurisdictional interconnection, provide the following information:
- a. Capacity of the facility (as measured by interconnection capacity);
  - b. Type of generation resource (e.g., wind, solar, hydropower);
  - c. Whether the generator is owned by PGE or a third party;
  - d. Cost of Interconnection Facilities (using the definition in FERC’s Order No. 2003, which is facilities up to the point of interconnection), including both costs in the final Facilities Study and the actual costs after construction was complete;

- e. Cost of Network Upgrades (using the definition in FERC's Order No. 2003, which is facilities at or beyond the point of interconnection) including both costs in the final Facilities Study and the actual costs after construction was complete;
  - f. If the amounts for any facilities in (d) and (e) for the final Facilities Study and the actual costs after construction differ, explain the reason for the difference.
  - g. For the Network Upgrades identified in subpart D for each facility, please explain whether PGE agrees that any of the facilities are used by other users of the system or PGE and identify facilities not used solely by the QF.
9. Please explain how the interconnection study process differs for an operating QF and a new QF, including whether network upgrade cost allocation would differ.
  10. For each operating QF that entered into interconnection agreement while it was operating (i.e., its second interconnection agreement), please identify whether any network upgrades were identified, the cost of the network upgrades, whether the interconnection customer paid for some or all of the network upgrade costs, and (if so) the amount paid by the interconnection customer.
  11. Please provide all non-privileged communications between Vail, Bremer, Foster, Larson, Ellsworth, Wilding, Macfarlane and/or Williams regarding Oregon interconnection policies, including but not limited to UM 2032.
  12. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/8-9. Please explain how a QF could demonstrate that its network upgrade resulted in quantifiable system-wide benefits.
  13. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/8-9. Please identify all instances in which a QF interconnection customer attempted to demonstrate that its network upgrade resulted in quantified system-wide benefits. Please identify the specific upgrade, the amount at issue, and the ultimate resolution.
  14. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/8-9. Please identify all instances in which a QF interconnection customer demonstrated that its network upgrade resulted in quantified system-wide benefits. For each instance, please identify the specific upgrade, dollar amount, and any interconnection studies or agreements.
  15. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/8-9. Please identify all instances in which a QF interconnection resulted in quantified system-wide benefits to PGE's transmission or distribution system. For each instance, please identify the specific upgrade, dollar amount, and any interconnection studies or agreements.
  16. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/8-9. Please identify all instances in which a FERC jurisdictional interconnection network upgrade resulted in quantified system-wide benefits to PGE's transmission or distribution system.

For each instance, please identify the specific upgrade, dollar amount, any interconnection studies or agreements, and whether the generation facility was owned by PGE.

17. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/19. Please provide citations for the statement: “FERC has held that a purchasing utility must deliver a QF’s power on firm transmission without curtailment (except in emergency conditions), meaning that a QF’s interconnection can trigger the need for deliverability-related (NR) Network Upgrades needed to effectuate that firm delivery.”
18. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/18, line 14: “What type of interconnection service must an Oregon QF obtain?” The answer refers to the QF-LGIP but does not provide any citations. Please provide a citation and explanation regarding why the Commission’s QF-LGIP requires a QF to obtain NRIS.
19. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/18, line 14: “What type of interconnection service must an Oregon QF obtain?” Please provide a citation and explanation regarding why the QF interconnection customers under 10 MW are required to obtain NRIS.
20. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/18, line 14: “What type of interconnection service must an Oregon QF obtain?” The answer refers to the QF-LGIP, but does not provide any citations. Please provide a citation and explanation regarding why the QF interconnection customers between 10 and 20 MW are required to obtain NRIS.
21. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/20. Please provide all underlying documents supporting the statement: “In PacifiCorp’s Oregon service territory, for example, interconnection studies for various 40 MW solar generating resources have identified the need for ER Network Upgrades that range from \$138,000 for some generators to as high as \$10,200,000 for others.”
22. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/20. Please provide all underlying documents in support for the statement: “In some areas of PacifiCorp’s system, NR Network Upgrades for an interconnecting generator are zero; in other areas, they can be hundreds of millions of dollars.”
23. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/20. Please provide all specific interconnections that support the statement that: “Idaho Power has seen a similar range of NR Network Upgrades depending on where an interconnecting generator sites its project.”
24. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/20. Please provide all specific interconnections supporting the statement that: “PGE has transmission and generation facilities that are geographically distant from PGE’s retail load, and any interconnection request to these distant portions of PGE’s system will likely result in significant deliverability-related Network Upgrades.” Please confirm that there have not been any distant portions of PGE’s system that have resulted in significant deliverability-related Network Upgrades.



25. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/21, which states:
- “Q. If QFs were not required to pay for the Network Upgrades necessitated by their interconnection, what impact would that have on QFs’ siting decisions?”
- A. If the Commission were to relieve QFs of the obligation to pay for interconnection-driven Network Upgrades, QFs would have no financial incentive to site in a location where Network Upgrade costs are minimized. As a result, we would likely see more QFs seeking to site and develop projects in areas that require significant Network Upgrades to safely physically interconnect the new generator, or to deliver QF power from areas that may be significantly constrained. Removing QFs’ incentives to make economical siting decisions would likely increase—perhaps dramatically—the overall cost of transmission system upgrades needed to interconnect and deliver QF power, and also would shift the cost of such upgrades from QFs to other utility customers, with significant impacts to retail customers.”
- a. Do FERC jurisdictional interconnection customers initially fund, but are then paid back, the Network Upgrade costs necessitated by their interconnection?
  - b. Do FERC jurisdictional interconnection customers have any financial incentive to site in a location where Network Upgrade costs are minimized?
  - c. Do FERC jurisdictional interconnection customers seek to site and develop projects in areas that require significant Network Upgrades to physically interconnect safely to the new generator, or to deliver power from areas that may be significantly constrained?
  - d. Has removing FERC jurisdictional interconnection customers’ incentives to make economical siting decisions increased the overall cost of transmission system upgrades needed to interconnect and deliver their power?
  - e. Has removing FERC jurisdictional interconnection customers’ incentives to make economical siting decisions shifted the cost of such upgrades from the interconnection customers to other utility customers, with significant impacts to retail customers?
26. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/23-24. Please identify all PGE owned generation resources that PGE initially funded but were paid back the costs of the Network Upgrades, the amount of the Network Upgrades that were paid back, and whether those upgrades would have been required but-for PGE’s interconnection request.
27. Please refer to Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/24 lines 2-5. Please identify any FERC jurisdictional Network Upgrades that did not result in system benefits to other interconnection customers.
28. Please refer to Joint Utilities/200, Wilding-Macfarlane-Williams/11, lines 2-11. Please provide all citations, support, or other basis for the statement that “we understand the

Commission to have established essentially a “but-for” standard, consistent with PURPA’s customer indifference principle.”

29. Please refer to Joint Utilities/200, Wilding-Macfarlane-Williams/11. For each QF interconnection request, please identify whether any Network Upgrades were or should have been refunded under the “but-for” standard?
30. Please refer to Joint Utilities/200, Wilding-Macfarlane-Williams/11, please explain how a QF would demonstrate that there were system upgrades that would have been incurred by the utility and its customers “but-for” the QF’s interconnection request.