

**Subject: Re: AR 518 RULEMAKING TO IMPLEMENT SB 838 - RENEWABLE PORTFOLIO STANDARD**

As a follow-up to staff's proposal and questions regarding the Alternative Compliance Rate, Renewable Northwest Project presents the following additional questions for the workshop:

- 1) Under any of Pacificorp's proposed calculation methods and PUC staff's proposed calculation method, how does the selected metric "provide adequate incentive for the electric company or ESS to purchase or generate qualifying electricity in lieu of using the alternative compliance payment to meet the renewable portfolio standard" as required under Section 20(2)?
- 2) Since Pacificorp's proposed purpose of establishing the ACP rate, stated as "To provide consumer protection from unaffordable costs associated with individual resources used for compliance", is not specific language in the statute, what is the best way to provide clarification that the proposed purpose is within the intent of the law?
- 3) Why does the Commission-determined ACP rate need to be based on "publicly-available information"? Is it possible for the Commission to determine the ACP rate only based on publicly-available information?
- 4) How would 110%, vs. 120%, 130%, or any other percentage above 100% of either a) an annual Commission-determined market price referent or b) the annual delivered cost of resources included in the most recent Renewable Adjustment Clause, provide adequate incentive for the electric company or ESS to purchase or generate qualifying electricity in lieu of using the alternative compliance payment to meet the renewable portfolio standard" as required under Section 20(2)?

Regarding staff's comments on the annual revenue requirement, RNP supports staff's definition amendment. RNP is also supportive of initially adopting the methodology for determining the annual revenue requirement at a regular public meeting prior to July 1st and then filing a rule to establish the method later in the year along with other rules regarding AR 518.

Regarding the cost off-ramp, RNP staff is in the process of developing an alternative proposal and will circulate that proposal on or before March 14th.

Sincerely,  
Suzanne

Suzanne Leta Liou  
Senior Policy Advocate  
Renewable Northwest Project  
917 SW Oak St, Suite 303  
Portland, OR 97205  
(503) 223-4544 (office)

(503) 223-4554 (fax)

[suzanne@rnp.org](mailto:suzanne@rnp.org)

[www.rnp.org](http://www.rnp.org)