

FEDERAL ENERGY REGULATORY COMMISSION  
Washington, D.C. 20426

In Reply Refer To:  
Office of Enforcement  
Docket No. AC15-77-000  
July 24, 2015

Portland General Electric Company  
Attention: Loretta Mabinton  
Associate General Counsel  
121 SW Salmon Street  
Portland, Oregon 97204

Dear Ms. Mabinton:

This is in response to your April 10, 2015 letter, as supplemented on July 21, 2015, on behalf of Portland General Electric Company (PGE). You filed the letter to notify the Commission that the pre-commercial operation test period for its Port Westward Unit 2 Generating Plant has exceeded 90 days.<sup>1</sup>

PGE's letter is accepted for filing.

PGE states that the testing period began on September 25, 2014, and lasted 120 days. The plant was placed in service on January 23, 2015. PGE contends that each of the 12 engines in the plant, as well as the overall plant, was contractually required to pass several tests to demonstrate their flexible performance, reliability, and adherence to regulatory requirements. Between the commencement of testing and the commercial operation date of the project, the plant underwent an extensive testing program which required certain retesting, causing the testing period to exceed 90 days.

Under the requirements of Electric Plant Instruction (EPI) No. 9 paragraph D, Equipment, of the Uniform System of Accounts, public utilities and licensees are required to disclose the full particulars of and justification for test or experimental runs conducted prior to the in-service date of non-nuclear equipment that extend beyond a period of 90 days.<sup>2</sup> To ensure compliance with EPI No. 9, PGE provided attachments

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<sup>1</sup> Port Westward Unit 2 is a flexible capacity resource consisting of twelve (12) Wartsila natural gas-fired reciprocating engine-generator sets, located near Clatskanie, Oregon.

<sup>2</sup> 18 C.F.R. Part 101 (2014).

including a detailed log of all stop and start events on the plant during testing, and MWh delivered every hour between September 25, 2014 and January 23, 2015. PGE also provided the total costs incurred and total revenue for selling power during the testing period. PGE states that costs incurred and revenues received from the generation and selling of test energy during the testing phase are, respectively, charged to and credited against the cost of construction, in accordance with the requirements of EPI No. 3 paragraph A(18), Earnings and Expenses During Construction.

The Commission delegated authority to act on this matter to the Director of the Office of Enforcement or his designee under 18 C.F.R. § 375.311 (2014). The Director has designated this authority to the Chief Accountant. This letter constitutes final agency action. Your company may file a request for rehearing with the Commission within 30 days of the date of this order under 18 C.F.R. § 385.713 (2014).

Sincerely,

Bryan K. Craig  
Director and Chief Accountant  
Division of Audits and Accounting  
Office of Enforcement