NW Natural®

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

February 26, 2026

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**RE: AR 669 – Joint Utilities Comments on AHD Report, Rulemaking to Amend Integrated Resource Plan Guidelines and Competitive Bidding Rules**

In accordance with Administrative Law Judge Sarah Spruce's February 12, 2026 Memorandum, Northwest Natural Gas Company dba NW Natural ("NW Natural" or "Company") hereby submits these Joint Comments on behalf of NW Natural and Avista Corporation dba Avista Utilities (collectively, the "Joint Utilities") in response to the February 12, 2026 Administrative Hearings Division ("AHD") Report on the Public Utility Commission of Oregon's ("Commission") proposed rules for integrated resource plans ("IRP") and competitive bidding.

As stated in the Company's Initial and Reply Comments, NW Natural remains generally supportive of the intent behind the proposed IRP rules ("Proposed IRP Rules"). Throughout the entire informal and formal rulemaking processes, NW Natural has provided comments about, and proposed revisions to, specific provisions of the Proposed IRP Rules that are likely to create an unnecessarily burdensome process and introduce overlapping planning processes and ongoing restudies, which impact timely decision-making and can ultimately increase costs to customers. The other utilities have raised similar concerns.

Unfortunately, the AHD Report dismisses these fundamental concerns and rejects the Company's (and other utilities') proposed revisions.[1] As explained in NW Natural's Initial and Reply Comments, filed on November 14 and December 4, 2025 (which are

[1] The AHD Report indicates that NW Natural did not explain a couple of its proposed revisions. *See* AHD Report, pp. 5. 30, 32, 33. To the extent that occurred, it was unintentional and the Company concurs with the AHD Report's representation that "the majority of the edits appear to be for clarity or restatements." *See* AHD Report, p. 32.

provided as **Attachment 1** and **Attachment 2**, respectively),[2] the Proposed IRP Rules expand processes and do not set clear expectations up front by seeking to resolve uncertainty later in a to-be-determined process. If a utility cannot rely on a clear set of standards and cannot receive assurance that Commission acknowledgement confirms that the IRP is a reasonable plan to meet customers' service needs and that the analyses and data on which it is based were reasonable, the inevitable result will be increased costs to customers and delayed ability to make timely investments to support Oregon customers and the Oregon economy.

To ensure that these concerns are addressed appropriately, the Joint Utilities strongly encourage the Commission to reorient its work session tentatively scheduled for the March 17, 2026 Regular Public Meeting to a public session during which stakeholders can comment on the final report that AHD intends to publish by March 12, 2026.

Sincerely,

*/s/ Eric W. Nelsen*
Eric W. Nelsen
Senior Regulatory Attorney (OSB# 192566)
NW Natural

*/s/ Shawn Bonfield*
Shawn Bonfield
Senior Manager of Regulatory Policy & Strategy
Avista Corporation dba Avista Utilities

[2] Attached to its Initial Comments, NW Natural provided proposed edits for the Commission's consideration and specifically addressed key issues with IRP acknowledgement, IRP updates, reference case definition, standard information requests, portfolio comprehensive cost estimate and community impacts. The Company's Reply Comments, among other things, explained its agreement with the comments of the Joint Utilities (PacifiCorp, Portland General Electric Company, and Idaho Power Company filed joint comments), emphasized that acknowledgment should provide a reasonable level of assurance to utilities, and described how the initial comments of stakeholders confirm NW Natural's concerns regarding discovery.

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

November 14, 2025

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**RE: AR 669 – NW Natural's Initial Comments**

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), appreciates the opportunity to submit these Initial Comments in response to the Notice of Proposed Rulemaking and Administrative Law Judge Sarah Spruce's October 9, 2025 Memorandum. NW Natural thanks the Public Utility Commission of Oregon ("Commission") and Commission Staff for the continued engagement in the development of the proposed integrated resource plan ("IRP") rules ("Proposed IRP Rules") and proposed competitive bidding rules ("CBRs").

NW Natural is generally supportive of the intent behind the Proposed IRP Rules and does not take a position on the proposed CBRs as they are not applicable to gas utilities. NW Natural, however, is concerned that some of the issues identified by utilities have not been thoughtfully considered and may result in unintended consequences, including:

(1) creating an unnecessarily burdensome process;

(2) risk of overlapping planning processes and constant restudies;

(3) threatening timely energy utility decision-making; and

(4) potentially leading to increased costs to customers.

Accordingly, while NW Natural agrees with the general structure and many of the components identified in the draft proposed rules, the Company recommends revisions to better balance the requirements with utilities' operational needs.

NW Natural has attached proposed edits in strikethrough (deletions) and double-underline (additions) for the Commission's consideration. These edits reflect NW Natural's concerns raised throughout the informal proceeding that have not been addressed. NW Natural has attached its comments filed in the informal rulemaking

process to provide context for the proposed edits. Additionally, NW Natural wishes to specifically address six key issues to assist the Commission in its deliberations.

**1) IRP Acknowledgement**

IRP acknowledgment is a fundamental component of any regulatory planning review process as it balances the interests of customers and the energy utility. Acknowledgment provides some assurance to the utility as it contemplates investments. Conversely, withholding acknowledgement sends a signal to the utility that its investment decisions need to be carefully considered because there may be a heightened level of scrutiny in a subsequent rate recovery proceeding. This is an important balance because it is the utility that bears the ultimate responsibility to provide safe, reliable, and affordable service.

NW Natural supports many aspects of the proposed rules, but is concerned that the rules would expand the IRP well beyond what can be expected in a planning analysis, while diminishing utilities' certainty that it can move forward with implementation of its action items. Generally, the language in the proposed rules is proscriptive relative to the utility, but non-committal relative to the Commission. NW Natural is not suggesting that acknowledgement would constitute pre-approval or negate the need for ongoing prudent decision-making, but acknowledgement should, at the very least, allow the utility to move on from the planning process or provide clear direction on how to address any concerns.

For example, Proposed IRP Rule OAR 860-090-0050(1) would allow the Commission to, at its discretion, provide the utility an opportunity to revise its IRP before making an acknowledgment decision. It is not clear how this would fit into the proposed process. Presumably, the revision would be in response to the Commission signaling it would not acknowledge the IRP through some informal process. It is unclear if this would be based on technical analyses or public comments, many of which may not be informed by a complete understanding of all operational, legal, and financial considerations. It is also likely that there would be insufficient time to complete a thorough planning analysis with an equity lens and coordination with impacted communities. Without reconsideration of this language, the Commission risks the IRP process resulting in a negotiated settlement, not least-cost, least-risk utility planning.

Additionally, Proposed IRP Rule OAR 860-090-0050(5) appears to further negate any benefit of acknowledgement. First, the proposed language states that acknowledgment does not constitute Commission approval of all supporting analyses or findings in an IRP for future determinations. This language appears to grant future Commissions the opportunity to ignore both analyses informing utility decisions and acknowledgment itself, simply by questioning their validity after-the-

fact. This violates a fundamental ratemaking principle that prudence is based on what the decision-maker knew or should have known at the time.

**2) IRP Updates**

NW Natural supports Staff's intent to streamline the IRP Update process, avoiding the expense of prolonged evaluation between IRP filings. NW Natural specifically supports Staff's proposed template process. Template submittals could be an incredibly useful tool to simplify the review and increase stakeholder understanding of the planning process. That being said, development of the templates should be, at least initially, through a formal process open to all stakeholders. Accordingly, NW Natural recommends that the Commission direct Staff to open an investigation to develop the template for IRP Update submittals and standard information requests tailored to the template process.

NW Natural, however, recommends that the proposed rules be amended to address two concerns. First, Proposed IRP Rule OAR 860-090-0110(3)(b) and (c) would essentially require the utility to conduct a full IRP analysis to support its yearly IRP Update. As drafted, Proposed IRP Rule OAR 860-090-0110(3)(b) would require updates to the most recent IRP reference case and Proposed IRP Rule OAR 860-090-0110(3)(c) would require a quantitative comparison of the updated reference case forecasts with the range of planning scenarios considered in the IRP. This combination requires a full portfolio analysis to justify the action plan. It would be extremely burdensome to prepare this information on an annual basis and could lead to an expanded IRP Update process, similar to the IRP proceeding.

Second, Proposed IRP Rule OAR 860-090-0110(6) would abandon from the current approach where the IRP Update is primarily informational, but a utility can use the IRP Update to seek acknowledgement based on changed circumstances. This is an important option for utilities because it allows for an assessment of new action items between IRPs based on their evaluation of evolving regulatory or economic conditions. The proposed rules, however, would grant the Commission authority to direct the utility to revise its IRP based on conditions outside the utility's control or public input, regardless of the utility's evaluation of the expected impact. The public input consideration is particularly concerning because it would encourage reopening of issues rejected in a previous IRP decision.

**3) Reference Case Definition**

NW Natural recommends a revision to the definition of the "Reference Case" in Proposed IRP Rule OAR 860-090-0020(10). Clarification of this key planning requirement can reduce controversy during the Commission's IRP proceeding, and focus the stakeholder process, by specifying that the Reference Case is tied to and must be reflective of the current legal, economic, and policy conditions at the time of the IRP. This reasonable amendment clarifies that not all possible future conditions

can be modeled and analyzed, and grounds the discussion in what is known and knowable at the time the IRP is prepared.

**4) Standard Information Requests**

Proposed IRP Rule OAR 860-090-0030(3) would impose a new requirement that the utilities must include in its IRP filing a certification that it has concurrently submitted its responses to the most recent version of the Standard Information Requests ("SIRs") for Integrated Resource Plans and Updates. NW Natural appreciates and supports the goal of establishing SIRs for the IRP process. Identifying SIRs for the IRP process in advance will allow the collection of commonly requested information during the development of an IRP and facilitate review of the IRP after its filing. NW Natural, however, remains concerned that it must comment on the new, proposed requirement without any ability to understand what the SIRs would request or the process that would be used to develop the SIRs. Accordingly, NW Natural recommends that Proposed IRP Rule OAR 860-090-0030(3) be removed until the initial set of SIRs can be developed through a formal stakeholder process.

NW Natural raised this concern multiple times during the informal rulemaking process, but no explanation was provided other than that the SIRs will be developed later through a separate process and may be updated to address changing circumstances as necessary over time.[1]

It will be crucial that such a separate process to develop the SIRs be a collaborative process that includes utilities and acknowledges certain data limitations. There may be SIRs suggested by other stakeholders that may not be relevant to the IRP, costly and burdensome to collect, or simply unavailable. Additionally, Staff previously indicated a desire to standardize the SIRs across all utilities. But the IRPs for gas and electric utilities will differ. Further, each utility will have unique modeling for its specific system. The combination of issues strongly suggests that the initial list of SIRs should be developed through a formal investigation to provide stakeholder input and thorough discussion.

Finally, it appears that the cross-reference in section 4 of Proposed IRP Rule OAR 860-090-0030 to section 2 was from a previous version of the draft rules in the informal rulemaking process, and the correct reference should be to section 3. Section 2 in the current version addresses engagement opportunities with members of the public, not the SIRs.

[1] In the Matter of Rulemaking to Amend Integrated Resource Plan Guidelines and Competitive Bidding Rules, Docket No. AR 669, Order No. 25-373 Appendix A at 88 (Sep. 18, 2025).

**5) Portfolio Comprehensive Cost Estimate**

The requirement of preparing a comprehensive cost estimate for near-term actions is beyond the scope of the IRP and questions regarding accuracy could overwhelm the IRP proceeding. Proposed IRP Rule OAR 860-090-0060(7)(g)(B) would require a near-term comprehensive cost estimate for each portfolio with estimated total annual costs to Oregon customers over the next five years. NW Natural raised issues about the questionable value of an overly burdensome requirement during the informal rulemaking process that were rejected without sufficient explanation. Accordingly, NW Natural recommends that this requirement be removed.

This requirement would impose an extremely burdensome process that could not be conducted without making a number of key assumptions. The IRP is a long-term planning document with a short-term action plan. For gas utilities, the significant expected changes from the IRP to an IRP Update are likely policy changes at the state or federal level. Given the market maturity for the commodity, those policies outside of the utility's control are likely to be the only things that materially impact costs. Thus, it would be unlikely that the additional analysis contemplated in this provision would provide any distinguishable criteria, resulting in an expensive and burdensome process with no useful value.

Further, Staff's response to comments confirms the inapplicability of this Proposed IRP Rule to gas utilities. Staff specifically stated that the requirement is needed to address near-term rate shock and how it would be affected "by ownership structure," comparing utility ownership versus an "equivalent purchased energy agreement."[2] This is not a sufficient explanation relative to gas utilities or to long-term planning generally. It is unclear why the IRP, which by definition is a plan to meet customer demand, could address rate shock without risking reliability or compliance issues for a gas utility.

NW Natural recommends this requirement be removed, or, at the least, that the Commission provide clear guidance on the process to create the comprehensive cost estimate and exempt that cost estimate from the comment process. Absent some limitation on its use, each IRP could expand into an alternative, hypothetical, rate case comparison. The current process already provides for a present value revenue requirement comparison, which provides an apples-to-apples comparison of various resource portfolios, and Staff provided no justification for the proposed expansion.

**6) Community Impacts**

Proposed IRP Rule OAR 860-090-0060(7)(g)(E) introduces a new requirement for gas utilities. NW Natural raised concerns about the addition during the informal

[2] *Id*. at 104.

rulemaking process, and Staff's initial response confirmed a focus on electric companies subject to ORS 469A.715. Staff's subsequent response dismissed NW Natural's concerns without discussion.[3]

NW Natural continues to seek additional opportunities to engage with its customers and communities to improve service, but imposing a requirement originally intended for electric companies only requires further discussion and time to implement. Electric companies have had four years to develop and incorporate a community impact analysis into their planning processes. Accordingly, NW Natural recommends that, at this time, the requirement only apply to energy utilities subject to ORS 469A.715, to provide time for further discussions on the applicability to gas utilities and time for those gas utilities to engage with customers and advisory groups to determine the appropriate metrics for community impacts.

**Conclusion**

NW Natural appreciates the opportunity to provide these comments.

Please address correspondence on this matter to Rebecca Trujillo at rebecca.trujillo@nwnatural.com with copies to the following:

eFiling
Rates and Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, OR 97204
Telephone: (503) 610-7330
Fax: (503) 220-2579
eFiling@nwnatural.com

Sincerely,

*/s/ Rebecca Trujillo*
Regulatory Compliance

Enclosures

[3] *Id.* at 105.

**860-001-0205**

**Information Requests in Resource Planning and Competitive Bidding**

**(1)** This rule applies to proceedings before the Commission that concern the review of an Integrated Resource Plan (IRP), an IRP Update and a Clean Energy Plan as those terms are defined in OAR 860-090-0020, and a resource acquisition that is subject to the Commission's competitive bidding rules in OAR Chapter 860, Division 89.

**(2)** For purposes of this rule, "energy utility" has the same meaning as provided in OAR 860-090-0020.

**(3)** Any person who meets the requirements of this rule may request information that is commensurate with the need to provide relevant comment on a pending filing subject to this rule, and that is also commensurate with the resources available to the requester and the recipient and the importance of the issues to which the request relates.

**(a)** To request information under this section, a person, other than the energy utility that made the filing initiating a proceeding under this rule, must first intervene as a party in the proceeding for limited procedural purposes. Intervention is not necessary to otherwise participate in the proceeding, including for activities such as attending a workshop, submitting written comments or providing oral comments to the Commission at a public meeting. Commission Staff may request information without intervening.

(A) An interested person may intervene as a party for limited procedural purposes in a proceeding subject to this rule by following the procedures outlined in this Division for petitions to intervene in contested case proceedings.

(B) The assigned administrative law judge may grant a petition to intervene for limited procedural purposes only. Limited procedural intervenor (LPI) status allows that person to be placed on the service list and to request information as provided in this rule. A person with LPI status may also be eligible to sign a protective order issued by the administrative law judge and access confidential information related to the utility's filing. Limited procedural intervenor status granted under this rule does not confer the general rights and duties of individuals who participate in contested case proceedings.

**(b)** Commission Staff, an energy utility that made the filing initiating a proceeding under this rule, and any person holding LPI status may submit information requests to one another in the form of either written interrogatories or requests for the production of documents. A requester must serve the request on the energy utility, Commission Staff and any person holding LPI status in the proceedings. For nonconfidential requests, service may be made by electronic mail or by electronic mail notification of upload to a designated shared workspace for information requests and responses. If the request contains confidential information, then a complete copy must be served on those eligible to receive confidential information under the terms of a protective order and a redacted copy to all others. The complete confidential copy must be served using the means identified in the protective order. Nonconfidential responses submitted to Commission Staff must be sent to PUC.Datarequests@puc.oregon.gov. If a designated shared workspace is being used for requests and responses, the notification of uploaded information requests and responses must be sent to PUC.Datarequests@puc.oregon.gov.

**(c)** Information requests that are unreasonably cumulative, duplicative, burdensome, or overly broad are not allowed. Instructions and definitions included in information requests must be consistent with the rules of the Commission under OAR Chapter 860 and ORS Chapters 469A, 756, 757 and 758.

**(4)** Commission Staff, the energy utility, and any person holding LPI status who receives an information request must answer the information request within 14 calendar days from the date of service, except as may otherwise be agreed to by the requester. Each request must be answered fully and separately in writing or by production of documents, or objected to in writing.

**(a)** Privileged material is not required to be disclosed except when disclosure is consistent with the Oregon Evidence Code, ORS 40.225 to 40.295.

**(b)** Commission Staff, the energy utility, and any person holding LPI status will not be required to develop information or prepare a study in response to an information request, unless the capability to prepare the study is possessed uniquely by the entity receiving the request, the request is not unduly burdensome, and the information sought has a high degree of relevance to the issues in the proceeding.

**(c)** Commission Staff, the energy utility, and any person holding LPI status answering an information request must provide a response or an electronic mail notification of upload to a designated shared workspace to the requester and to Commission Staff, the energy utility and all persons with LPI status that filed a written request for a copy of the response. A person holding LPI status must agree to be bound by the applicable protective order to be eligible to receive a response containing confidential information.

**(5)** Information requesters and the recipients of information requests must make every effort to engage in the cooperative exchange of information and to resolve disputes themselves. If an energy utility receives an information request that is likely to lead to a dispute, then the energy utility must inform the requester of the dispute as soon as practicable and attempt to resolve it informally.

**(6)** If the information requester and the recipient of the request are unable to resolve a dispute informally, then either the requester or the recipient may request that the ALJ assigned to the docket conduct a conference to facilitate the resolution of the dispute. A requester must identify for the ALJ the specific information sought and describe the efforts of those involved to resolve the dispute informally.

**(7)** A requester may file a motion with the Commission to compel a response to its request, seeking an order directing the receiving entity to respond to an information request. The motion must contain a certification that the requester has conferred with the recipient but has been unable to resolve the dispute. Motions under this rule are subject to the same requirements for motions in a contested case under OAR 860-001-0420.

**(8)** An assertion that information responsive to an information request is confidential may not be used to delay the request process. However, an request recipient will not be required to provide responsive information that it claims is inadequately protected until such time as its claim for the need for a general protective order or a modified protective order is resolved. If the recipient believes that a response to a request involves confidential information that is inadequately protected by the safeguards existing in the docket, the recipient must notify the requester of this belief as soon as practicable and, if appropriate, promptly move for an appropriate protective order under OAR 860-001-0080.

**(9)** Except when requested by the Commission or ALJ, or when seeking resolution of a dispute under these rules, information requests are not filed with the Filing Center or provided to the ALJ.

**(10)** A person holding LPI status may submit information requests and the answers to those requests when commenting on a filing. Any objection to substance or form of a request or answer must be attached with specific reference and grounds.

**(11)** Upon a motion by a requester or the recipient, or their own motion, the assigned ALJ may impose sanctions for the failure or refusal to comply with an oral or written ruling resolving a dispute under this rule. The ALJ may impose sanctions including withdraw of approval of a petition to intervene or striking of a filing in the docket.

Statutory/Other Authority: ORS 756.040, ORS 756.060

Statutes/Other Implemented: ORS 756.040, ORS 756.105, ORS 756.115

**860-090-0010**

**Applicability and Purpose of System Planning Rules**

**(1)** The rules contained in this Division apply to energy utilities.

**(2)** Upon request or its own motion, the Commission may waive any of the rules in this Division for good cause shown. A request for waiver must be made in writing to the Commission. In addition to the filing requirements in OAR Chapter 860, Division 001, an energy utility filing a request for waiver under this section must serve the request on all parties to the energy utility's most recent general rate case, IRP docket, and, if applicable, RFP filing.

**(3)** The primary goal of integrated resource planning is to develop a long-term resource strategy and near-term action plan that allow the utility to meet customer needs while best balancing expected costs and associated risks for the utility and its customers.

Statutory/Other Authority: ORS 756.060, ORS 757.262, ORS 469A.465

Statutes/Other Implemented: ORS 756.040, ORS 469A.415, ORS 469A.420, ORS 469A.425, ORS 469A.430, ORS 469A.435, ORS 469A.440, ORS 469A.445, ORS 469A.450, ORS 469A.455, ORS 469A.460, ORS 469A.475

**860-090-0020**
**Definitions for System Planning Rules**

As used in this Division, except when the context requires otherwise:

**(1)** "Clean Energy Plan" or "CEP" means the plan that an electric company subject to the emissions reduction targets under ORS 469A.410 is required to develop under ORS 469A.415.

**(2)** "Electric company" has the meaning given that term in ORS 757.600.

**(3)** "End effects" means costs associated with a portfolio that would be incurred after the end of the planning horizon.

**(4)** "Energy utility" or "utility" means a public utility as defined in ORS 757.005, except water and wastewater utilities. An energy utility can be an "electric company" as defined in ORS 757.600 or a "gas utility" as defined in ORS 757.359.

**(5)** "Integrated Resource Plan" or "IRP" means the energy utility's written plan detailing its determination of future long-term resource needs, its analysis of the expected costs and associated risks of the alternatives to meet those needs, and its action plan to select the best portfolio of resources to meet those needs.

**(6)** "Key planning uncertainties" means uncertain factors that could materially influence future utility plans or the performance of the utility's portfolio, including factors that the Commission has directed the utility to address in the IRP.

**(7)** "Key planning years" means future years in which the utility anticipates significant changes relevant to its planning and procurement, including years for which the Commission has directed the utility to conduct specific planning analyses.

**(8)** "Portfolio" means a set of existing and new resources, including supply side resources, distributed resources, customer-sited resources, and supporting transmission and distribution infrastructure that the utility evaluates for meeting future loads and policy requirements over the planning horizon.

**(9)** "Planning scenario" means a set of possible future conditions developed for the purpose of evaluating the performance of IRP portfolios and examining the risks associated with the near-term action plan and long-term resource strategy.

**(10)** "Reference case" means the collection of assumptions for future legal, economic and policy conditions that the utility considers, at the time the IRP is prepared, to be most likely or expected for the purposes of planning, and is reflective of current state and federal statutory requirements.

Statutory/Other Authority: ORS 756.060, ORS 757.262, ORS 469A.465

Statutes/Other Implemented: ORS 756.040, ORS 469A.415, ORS 469A.420, ORS 469A.425, ORS 469A.430, ORS 469A.435, ORS 469A.440, ORS 469A.445, ORS 469A.450, ORS 469A.455, ORS 469A.460, ORS 469A.475

**860-090-0030**

**Integrated Resource Plan Procedural Requirements**

**(1)** Each energy utility must file an IRP with the Commission no later than three years after the filing date of its prior IRP.

**(2)** In preparing the IRP, the utility must allow a meaningful number of opportunities for engagement that are open to all members of the public. Such opportunities must include opportunities to contribute information and ideas, receive information, and pose questions to the utility including but not limited to requests to run portfolios, futures, scenarios, etc. These opportunities for engagement must include opportunities that are accessible to members of the public with limited resources.

**(3)** The utility must submit concurrently with its IRP filing all information required by ~~a certification that it has concurrently submitted its responses to~~ the most recent version of the Standard Information Requests for Integrated Resource Plans ~~and~~ or IRP Updates, as applicable, available on the Commission's website. The initial set of Standard Information Requests for an IRP will be established through a formal process before the Commission.

**(4)** Except as otherwise directed by the Commission, the utility must publish information submitted pursuant to section ~~(2)~~ (3) of this rule as indicated in the most recent version of the Standard Information Requests. Information exempt from disclosure pursuant to a protective order issued by the Commission may be provided in redacted form. The utility must keep the published information available to the public until the utility has filed two subsequent IRPs.

**(5)**If the Commission determines while the utility's IRP is pending before the Commission that the utility has undertaken or committed to actions that directly conflict with the utility's action plan, the Commission may direct the utility to ~~take additional actions including~~:

**(a)** Revis~~ion of th~~e the utility's action plan; or

**(b)** Prepare and submit ~~Submission of~~ a new IRP based on specific directions articulated by the Commission in an order ~~that is responsive to Commission direction~~.

Statutory/Other Authority: ORS 756.060, ORS 757.262

Statutes/Other Implemented: ORS 756.040, ORS 756.105

**860-090-0040**

**Procedures for Public Participation**

**(1)** Following the filing of an IRP, CEP, or IRP Update, a procedural schedule and any necessary revisions thereto will be submitted by Commission Staff and approved as necessary by the assigned administrative law judge.

**(a)** For each type of utility filing, the procedural schedule must allow, at minimum, for:

(A) The filing of written public comments on the utility's filing ~~and priorities for subsequent filings by the same utility under this Division~~; and

(B) The filing of a response by the utility to those public comments.

**(b)** In the case of an IRP or CEP, the procedural schedule must include a time generally no less than 14 days and no more than 30 days following the filing of the IRP or CEP for the utility's presentation of the IRP or CEP to the Commission, at which the utility will be required to appear and present.

**(c)** In the case of an IRP or CEP, comments should generally be submitted within six months of the filing date of the IRP or CEP.

**(2)** The Commission may suspend or modify the procedural schedule as necessary.

Statutory/Other Authority: ORS 756.060, ORS 757.262, ORS 469A.465

Statutes/Other Implemented: ORS 756.040, ORS 469A.415, ORS 469A.420, ORS 469A.425, ORS 469A.430, ORS 469A.435, ORS 469A.440, ORS 469A.445, ORS 469A.450, ORS 469A.455, ORS 469A.460, ORS 469A.475

**860-090-0050**

**Integrated Resource Plan Acknowledgment**

**(1)** ~~The Commission may provide the utility an opportunity to revise the IRP before making an acknowledgment decision.~~

**(1)** The Commission may acknowledge the long-term resource strategy or individual action plan items in part or in full or may condition acknowledgment on the utility's compliance with conditions imposed by the Commission.

**(2)** Acknowledgment of a specific action plan item generally means that the action appears to align with customers' interests, if implemented prudently, given what is known at the time of acknowledgment. The Commission's acknowledgment decision may be considered in future rate making decisions.

**(3)** Acknowledgment of the long-term resource strategy generally means that the strategy represents a reasonable approach to meeting future customer needs and complying with Oregon and federal energy policies in a manner that best balances cost and risk, accounting for policy, technological, economic, and other uncertainties related to Oregon's energy future, given what is known at the time of acknowledgment. Acknowledgment of the long-term resource strategy is not necessary for acknowledgment of individual action plan items. However, a non-acknowledged long-term resource strategy may indicate that the utility is not adequately planning for future risks to customers or that the utility's plan is otherwise deficient. In this circumstance, the Commission ~~may~~ shall identify specific actions the utility must take to mitigate future risks. ~~take actions including for example:~~

~~**(a)** Directing the utility to take additional action to mitigate future risks; or~~

~~**(b)** Considering the utility's failure to act to mitigate risks in future rate making decisions.~~

~~**(4)** Acknowledgment of an IRP does not indicate that the Commission approves all supporting analysis or findings in an IRP for use in future determinations. The Commission may identify potential changes or additions to elements of the utility's IRP analysis that may meaningfully inform future Commission determinations if performed by the utility.~~

~~**(5)**~~**(4)** The Commission may provide direction in the acknowledgment decision to the utility regarding information, analyses or actions to be addressed in the utility's next IRP.

Statutory/Other Authority: ORS 756.060, ORS 757.262

Statutes/Other Implemented: ORS 756.060, ORS 757.262

**860-090-0060**

**Components of the Integrated Resource Plan**

**(1)**Each energy utility must prepare an integrated resource plan that contains the information described in this rule.

**(2)**Executive summary. The utility must include in the IRP a brief executive summary, written for a general audience, that describes the utility's long-term resource strategy and near-term action plan and explains any significant changes in the utility's strategy since the last IRP.

**(3)**Updates since last IRP. The utility must describe in the IRP the resource actions and actions toward enabling

strategies the utility has taken since the last IRP.

**(4)** Documentation of public input. The utility must include in the IRP an appendix that:

**(a)** Describes the opportunities the utility created for public input, which must include meetings that are open to all process participants, including the timeframes over which the utility accepted input from the public on each draft element of the IRP enumerated in OAR 860-090-0070;

**(b)** Summarizes at a high level major themes of public input the utility received during the development of the plan using the mechanisms created by the utility and attaches all written public comments received in response to comment opportunities specified by the utility on each draft element of the IRP enumerated in OAR 860-090-0070;

**(c)** Documents whether and how the utility incorporated public input into the finalization of portfolios, planning scenarios, community impacts metrics, the action plan, the utility's response to any specific direction from the Commission, and other analysis or components of the IRP; and

**(d)** Documents how and when the utility explained any decisions not to incorporate public input into the IRP that is filed with the Commission.

**(5)**Commission direction. The utility must include in the IRP a narrative explanation and reference to the appropriate IRP section and, if applicable, subsection for the utility's response to any specific direction from the Commission to undertake or provide additional information, analyses or actions in the IRP since the filing of its prior IRP.

**(6)**Needs assessment. The utility must include in the IRP an evaluation of the resource needs to achieve an acceptable level of reliability, including meeting any reliability requirements to which the utility is subject, while complying with all state and federal energy policies, over the next five years and in key planning years. ~~The utility~~ An electric company must describe in the IRP how the reliability analysis in the needs assessment accounts for opportunities presented by interactions with other systems and markets.

**(a)** The utility must calculate resource needs based on the utility's load forecast, which must be the most recent available at the time that the needs assessment calculation is performed, and no incremental actions beyond the commitments that the utility has entered into at the time of conducting the analysis.

**(b)** The utility must include in the assessment reasonable upper and lower bounds on resource needs based on key planning uncertainties.

**(c)** The utility must clearly define the metrics and units used to summarize identified resource needs ~~and report the date on which assumptions were last updated to inform the needs assessment~~.

**(7)** Portfolio analysis

**(a)** In developing the IRP, the utility must analyze a set of meaningfully different portfolios of resource options. The utility must provide in the IRP a detailed description of the analysis performed and the results of its analysis.

(A)The utility must evaluate portfolios that test different levels of demand side resources and distributed resources in Oregon.

(B) The utility must consider both commercially available and emerging technologies as resource options. For resources reliant on emerging fuels, the cost and availability of fuel supply, transport, and storage, as appropriate, must be considered.

(C) If the utility's action plan includes any of the following actions, the utility must evaluate portfolios that test the impacts of these actions and that consider alternatives to these actions:

(i)A specific resource action that the utility intends to take outside of a competitive acquisition process, such as acquisition of a particular generating facility that does not fall under the competitive bidding rules in OAR Chapter 860, Division 89;

(ii) Modification or retirement of a specific resource; or

(iii) Expansion, retirement, or substantial modification of transmission, gas transportation, or distribution facilities.

**(b)** In developing portfolios under this section, the utility must consider the contributions of all resource options toward reliability, policy compliance, and lowering the costs associated with the generation, production, purchase, or delivery of energy to customers.

**(c)** The utility must evaluate portfolios under this section across a range of future planning scenarios that reflect plausible and material differences across key planning uncertainties.

**(d)** The utility must identify a reference case that represents current expectations for future conditions.

**(e)** The utility must demonstrate that all portfolios developed under this section provide for an acceptable level of reliability and are expected to meet any reliability requirements to which the utility is subject, while complying with all state and federal energy policies, over the next five years and in key planning years. ~~The utility~~ An electric company must describe how the reliability analysis accounts for opportunities presented by interactions with other systems and markets. Utilities subject to ORS 469A.415 must describe how compliance with the emission reduction targets under ORS 469A.410 was incorporated into IRP modeling.

**(f)**In evaluating portfolios under this section, the utility must reasonably estimate future operations of the utility's system, including interactions between resources and interactions with energy markets.

**(g)** For each portfolio, the utility must identify metrics in the IRP that describe the portfolio's performance with respect to:

(A)Near-term costs and long-term costs, calculated as the present value of the revenue requirement over the planning horizon, including end effects.

~~(B) Near-term costs, estimated as a plausible range for the total annual costs to~~

~~Oregon customers over the next five years (comprehensive cost estimate), considering near-term uncertainties such as resource ownership and cost allocation to Oregon customers. A comprehensive cost estimate provided under this rule may be used solely for the purposes of evaluating the utility's IRP and, if applicable, CEP.~~

(B)Economic risk, representing the risk associated with near-term plans if future conditions were to materially deviate from expectations, calculated as the difference in the present value of the revenue requirements between the Reference Case and the scenario that represents the material deviation from expectations.

(C) Reliability risk, presented in a manner that reflects relevant information about the potential frequency and severity of supply shortages, such as total unserved energy, maximum hourly unserved energy, duration, and timing, while considering risks associated with weather, hydrologic conditions, outages, fuel availability, and regional constraints.

(D) For electric companies subject to ORS 469A.415, c~~C~~ommunity impacts, presented as plausible ranges for the future impacts of the portfolio on communities within or partly within the utility's Oregon service territory. The utility must demonstrate that community impact metrics are:

(i) Developed with input from the public, including input from environmental justice communities;

(ii) Quantitative and measurable as the utility implements its plan;

(iii) Practically informative to utility implementation decisions, including investments, contracts, and program designs; and

(iv) Distinct from other scoring metrics.

(E) Emissions, calculated in a manner consistent with any emissions reporting requirements to which the utility is subject.

**(h)** A multi-jurisdictional utility must develop at least one portfolio that optimizes resources across its entire system, taking into account the varied energy and policy requirements of the jurisdictions in which it operates.

**(i)** Preferred Portfolio. The utility must select a Preferred Portfolio in the IRP and explain why it represents the best balance of cost and risk to customers and the utility. The utility must include a visual representation such as a matrix that describes how each portfolio performed against the portfolio scoring metrics and that clearly demonstrates the relationship of the preferred portfolio to all portfolios eligible for preferred portfolio selection. In the event that the most competitive portfolio is not selected as the preferred portfolio, the utility must provide additional justification for the selection.

**(8)** Other planning processes. The utility must clearly refer in the IRP to any additional planning required by law that affects the utility's long-term resource strategy or near-term action plan.

**(9)** Long-term resource strategy. ~~The utility~~ An electric company must describe in the IRP the long-term resource strategy to meet customer needs and comply with all federal and state energy policies over the next 20 years. The utility's development of the long-term resource strategy must be informed by a needs assessment and portfolio analysis that considers all reasonably plausible resource options. In addition, the utility must include in the resource strategy:

**(a)** An explanation of its consideration of the potential impacts of future technological development and changes to consumer behavior, state and federal

energy policies, and regional developments;

**(b)** A description of the utility's strategy for addressing major risks, key dependencies, barriers to implementation, and critical junctures for the plan; and

**(c)** A description of any enabling strategies that the utility is evaluating to support the long-term resource strategy, including changes to system operational practices.

**(10)** Near-term action plan. The utility must include in the IRP a near-term action plan that describes the steps the utility intends to take over the next five years to provide customers with safe and reliable service, meet other customer needs and comply with all federal and state energy policies in a manner that is informed by the utility's portfolio analysis and consistent with the utility's long-term resource strategy. The utility must include in the action plan the utility's plans for:

**(a)** Resource acquisitions, including conducting competitive acquisitions, with information on the utility's intended schedules, estimated range of procurement scope or size, and any constraints or parameters that the utility intends to apply to align resource selections with the utility's near-term needs and long-term resource strategy.

**(b)** Pursuing energy efficiency, demand response, community-based resources, and other customer-sited and distributed resources. The action plan must explain how the utility intends to pursue all cost-effective energy efficiency and demand response and must reference analysis in the IRP that supports targets for using these resources to meet system needs.

**(c)** Any other resource actions the utility intends to take that may materially affect the utility's resource portfolio or the performance of the portfolio in terms of cost, risk, reliability, or compliance with state or federal policies.

**(d)** Any enabling strategies the utility plans to pursue to support the utility's near-term action plan.

**(e)** Preparing and filing the next IRP and IRP Updates, including the intended filing dates and any areas that the utility plans to prioritize for new or updated analysis.

**(f)** Managing near term uncertainties and process dependencies, including any contingency plans the utility has developed to implement the action plan as conditions change.

**(11)** Cost-effective grid enhancing technologies strategic plan. An electric company subject to Oregon Laws 2025 Chapter 391 must include a section that provides its strategic plan setting forth the information required by that law, using the definition of cost-effectiveness and criteria established by the Commission.

**(12)** Counterfactual portfolio. Notwithstanding the requirements of subsection (7)(d) above, an electric company that is subject to ORS 469A.445 must develop and evaluate in the IRP one portfolio developed as though the requirements of ORS 469A.400 to ORS 469A.475 did not apply, holding equal all other constraints and assumptions used to develop the Preferred Portfolio.

Statutory/Other Authority: ORS 756.060, ORS 756.105, ORS 757.262

Statutes/Other Implemented: ORS 756.105, ORS 757.262, ORS 756.040, ORS 469A.445

**860-090-0070**

**Draft Elements of the Integrated Resource Plan**

**(1)** As it is developing the IRP and in advance of filing the IRP, the energy utility must prepare drafts of the following information:

**(a)** Portfolios that the utility intends to test in its development of the IRP;

**(b)** Future planning scenarios;

**(c)** Community impacts metrics, if applicable;

**(d)** Near-term action plan; and

**(e)** Narrative explanation of the utility's response to any specific direction from the Commission since the filing of the prior IRP to undertake or provide additional information, analyses or actions in the IRP.

**(2)** The utility must solicit public input on each draft element of the IRP sufficiently in advance of making final determinations with respect to that element to fully evaluate the public input it receives for incorporation into the IRP it later files with the Commission.

Statutory/Other Authority: ORS 756.060, ORS 756.105, ORS 757.262

Statutes/Other Implemented: ORS 756.105, ORS 757.262, ORS 756.040

**860-090-0080**

**Clean Energy Plan Procedural Requirements**

**(1)** An electric company that is subject to ORS 469A.415 must file a CEP with the Commission concurrently with the utility's IRP and in the same docket.

**(2)** If filing the CEP concurrently with the IRP would create an undue burden or a significant issue exists that impacts IRP or CEP review, the electric company may file a written request with the Commission to extend the filing date for the CEP up to 180 days after the IRP filing date.

**(3)** If the Commission authorizes a utility to file the CEP separately from its IRP filing, Commission Staff, or if necessary, the administrative law judge, may establish a schedule for review of the CEP separate from the IRP schedule, including at minimum, a utility presentation to the Commission of the CEP, opportunity for public comment and a utility response to public comment.

Statutory/Other Authority: ORS 756.060, ORS 469A.465

Statutes/Other Implemented: ORS 756.040, ORS 469A.415, ORS 469A.420, ORS 469A.425, ORS 469A.430, ORS 469A.435, ORS 469A.440, ORS 469A.445, ORS 469A.450, ORS 469A.455, ORS 469A.460, ORS 469A.475

**860-090-0090**

**Clean Energy Plan Acknowledgment**

**(1)** The Commission will consider acknowledgment of a CEP filed by the electric company subject to ORS 469A.415. The Commission will issue an order memorializing its decision on acknowledgment for the CEP, which may be combined with the IRP acknowledgment order. The Commission may provide the electric company an opportunity to revise the CEP before making an acknowledgment decision. The Commission may, at its discretion, take one of the following actions regarding the CEP portion of the acknowledgment decision:

**(a)** Acknowledge a CEP as filed;

**(b)** Acknowledge a CEP with conditions; or

**(c)** Not acknowledge the CEP and require that the utility revise and resubmit all or certain elements of the CEP within the procedural timeline set by the Commission.

**(2)** Acknowledgment of a CEP does not indicate that the Commission approves all supporting analysis or findings in a CEP for use in future determinations. The Commission may identify potential changes or additions to elements of the utility's CEP analysis that may meaningfully inform future Commission determinations.

**(3)** Along with making a decision on acknowledgment, the Commission may provide direction to the utility regarding the development or content of its next CEP.

Statutory/Other Authority: ORS 756.060, ORS 469A.465

Statutes/Other Implemented: ORS 756.040, ORS 469A.415, ORS 469A.420, ORS 469A.425, ORS 469A.430, ORS 469A.435, ORS 469A.440, ORS 469A.445, ORS 469A.450, ORS 469A.455, ORS 469A.460, ORS 469A.465, ORS 469A.475

**860-090-0100**
**Clean Energy Plan Components**

Each electric company subject to ORS 469A.415 must:

**(1)** In preparing the CEP, the utility must allow a meaningful number of opportunities for engagement that are open to all members of the public. Such opportunities must include opportunities to contribute information and ideas, receive information, and pose questions to the utility including but not limited to requests to run portfolios, futures, scenarios, etc. These opportunities for engagement must include opportunities that are accessible to members of the public with limited resources.

**(2)** Draft its CEP in language that is as clear and simple as possible, with the goal that it may be understood by non-expert members of the public.

**(3)** Include in its CEP the information required by ORS 469A.415 and annual goals for actions that are consistent with the electric company's long-term resource strategy and action plan.

**(4)** Define and describe in its CEP the community benefits indicators that the electric company plans to track as the company implements its Clean Energy Plan, including the metrics adopted in IRP portfolio scoring.

**(a)** The electric company must develop community benefits indicators upon consideration of public input, including input from environmental justice communities in Oregon.

**(b)** The electric company must include at least one community benefit indicator that addresses community resiliency.

**(c)** The electric company must describe how the community benefits indicators will inform utility implementation decisions through mechanisms such as RFP requirements, RFP non-price scores, and program design criteria and metrics.

**(5)** Report measured values for all community benefits indicators defined in the CEP for the previous three years, to the extent available. If measured values for a community benefits indicator are not available for the previous three years, the electric company must explain how it plans to measure that community benefits indicator in future years.

**(6)** Demonstrate in its CEP that the electric company's IRP portfolio analysis accounts for:

**(a)** Community impacts associated with all resource options, including contributions to resiliency; and

**(b)** The costs and benefits of offsetting generation from fossil fuel resources with community-based renewable energy resource options.

**(7)** Include in its CEP targets for community-based renewable energy that facilitate greenhouse gas emissions reductions, promote community resiliency, and are reflected in the utility's near-term action plan and long-term resource strategy.

**(8)** Demonstrate in its CEP how the IRP Preferred Portfolio achieves the emissions reductions targets set forth in ORS 469A.410, and include the verification of projected emissions reductions available from the Oregon Department of Environmental Quality pursuant to ORS 469A.420.

**(9)** Demonstrate in its CEP how the electric company's long-term resource strategy and near-term action plan provide for the best balance of expected costs and

associated risks and uncertainties for the electric company and its customers, while considering impacts to communities and the pace of greenhouse gas emissions reductions.

**(10)** Demonstrate in its CEP that the electric company's action plan represents continual progress towards meeting the clean energy targets set forth in ORS 469A.410, including demonstrating a projected reduction of annual greenhouse gas emissions, and that the electric company is taking actions as soon as practicable to facilitate rapid reduction of greenhouse gas emissions at reasonable costs to retail electric consumers.

**(11)** Include in its CEP the electric company's two most recent annual emissions data reports filed with the Oregon Department of Environmental Quality.

**(12)** Include a narrative explanation and page reference for the electric company's response to any specific direction from the Commission to undertake or provide additional information or analysis in the CEP since the filing of its last CEP.

**(13)** Cost-effective grid enhancing technologies strategic plan. An electric company subject to Oregon Laws 2025 Chapter 391 must include a section that provides its strategic plan setting forth the information required by that law, using the definition of cost-effectiveness and criteria established by the Commission.

Statutory/Other Authority: ORS 756.060, OAR 469A.465

Statutes/Other Implemented: ORS 756.040, ORS 469A.415, ORS 469A.420, ORS 469A.425, ORS 469A.430, ORS 469A.435, ORS 469A.440, ORS 469A.445, ORS 469A.450, ORS 469A.455, ORS 469A.460, ORS 469A.475

**860-090-0110**
**Integrated Resource Plan Updates**

**(1)** Purpose. The IRP Update primarily serves to:

**(a)** Provide visibility into the utility's implementation of the near-term action plan;

**(b)** Facilitate efficient scrutiny of any changes to the near-term action plan; and

**(c)** Identify whether the utility's long-term resource strategy remains relevant.

**(2)** Timing. In any calendar year that the utility does not file an IRP, the utility must file an IRP Update no later than the anniversary date of filing the prior IRP or IRP Update.

**(3)** Filing requirements. The energy utility must complete and submit its IRP Update filing using the IRP Update template approved by the Commission and available on the Commission's website. The utility must submit with the filing all information and data required by this rule and under the template in machine-readable format. In addition, the energy utility must include in the IRP Update:

**(a)** A description of the resource actions and actions toward enabling strategies the utility has taken since the most recent IRP or IRP Update;

~~**(b)** Updates to the most recent IRP reference case to reflect any key planning information that has been obtained or developed by the utility, such as updated load forecasts, fuel prices, wholesale market prices, and resource costs;~~

~~**(c)** Quantitative comparison of updated reference case forecasts with the range of planning scenarios considered in the Company's most recent IRP;~~

**(b)** An updated needs assessment based on changes to conditions, future expectations, and utility actions since the most recent IRP or IRP Update;

~~**(c)** The date on which assumptions were last updated to inform the needs assessment;~~

**(c)** A description of any changes to the near-term action plan, including changes to acquisition targets, that the utility has made in response to changes in conditions, future expectations, and utility actions since the most recent IRP or IRP Update; and

**(4)** Availability of information. The utility must publish all information submitted with the IRP Update filing to the utility's website in a machine-readable format. Information exempt from disclosure pursuant to a protective order issued by the Commission may be provided in redacted form. ~~The utility must keep the published information available to the public until the utility has filed two subsequent IRPs.~~

**(5)** Additional requirements for an electric company subject to ORS 469A.415. An electric company that is subject to ORS 469A.415 must also include in the IRP Update:

**(a)** An assessment of what has changed since the CEP acknowledgment decision that affects the electric company's progress toward the clean energy targets in ORS 469A.410;

**(b)** Measured values for all community benefits indicators adopted in the most recent CEP for the previous three years, to the extent available, and, if measured values for a community benefits indicator are not available for the previous three years, an explanation of how the electric company plans to measure that community benefits indicator in future years;

**(c)** A summary, with quantitative information, of how the community benefits

indicators reported in the most recent CEP have informed the electric company's implementation of its action plan; and

**(d)** The electric company's two most recent annual emissions data reports led with the Oregon Department of Environmental Quality.

~~(6)~~ **(6)** Commission action. The Commission may, upon request of an energy utility, acknowledge changes to a near-term action plan in ~~decide to accept~~ an IRP Update, ~~and may further specify the extent to which it is accepted. In making a decision whether to accept the IRP Update, the Commission may also provide direction to the utility regarding the substance or filing date of the next IRP. Acceptance of the IRP Update may indicate that updates to the utility's action plan presented in the IRP Update are consistent with the scope of a prior IRP acknowledgment order. In making a decision on acceptance and providing direction to the utility regarding the substance or filing date of the next IRP, the factors the Commission may consider include:~~

~~(a) Whether the utility's strategy materially deviates from the most recent IRP;~~

~~(b) Whether external conditions or the utility's circumstances or planning expectations have significantly deviated from the planning scenarios considered in the most recent IRP; and~~

~~(c) Public input regarding the utility's IRP Update and its preparations for the next IRP.~~

Statutory/Other Authority: ORS 756.060, ORS 757.262, ORS 469A.465

Statutes/Other Implemented: ORS 756.040, ORS 469A.415, ORS 469A.420, ORS 469A.425, ORS 469A.430, ORS 469A.435, ORS 469A.440, ORS 469A.445, ORS 469A.450, ORS 469A.455, ORS 469A.460, ORS 469A.475

NW Natural®

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

May 28, 2025

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**RE: AR 669 – Updates to IRP Requirements and Competitive Bidding Rules**

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), appreciates the opportunity to submit comments on Workshop #1 held on May 5, 2025, in the above referenced docket. The following are NW Natural's Comments listed by the proposed rule numbers and captions:

**OAR 860-090-0030 Integrated Resource Plan Procedural Requirements**

NW Natural recommends removing Section 3. Section (3) discusses publishing of the standard data request responses related to the IRP on the utility's website (and section OAR 860-090--0110(4)) indicates the same requirement for IRP Updates). As mentioned in the informal rulemaking docket, NW Natural believes the Commission should be the aggregator of this type of IRP data and host that information in a central location. By doing so, NW Natural believes stakeholders would find it easier to refer to the respective dockets for all IRP related information in a central location. It was the Company's understanding that the Commission does currently not have the ability to host this information but was looking for an alternative. NW Natural continues to believe that the Commission should be the aggregator of this information and is willing to work with the participants in this docket to identify alternatives to each utility posting its own information.

**OAR 860-090-0050 Integrated Resource Plan Acknowledgment**

Section (5). NW Natural recommends removing Section 5. NW Natural continues to be concerned that Staff's proposal reduces the value of an IRP acknowledgement provides for a utility. We continue to question how acknowledgement of an Action Plan item may be considered in future ratemaking decisions, while the supporting analysis and findings may not. NW Natural understands, and Staff points out, that the Commission's acknowledgment decision is based on what is known at the time of an acknowledgement decision and that additional information may become known

over time. However, the value of acknowledgement is eroded if the Commission can decide to acknowledge an Action Item but not the underlying analysis and findings. A finding of IRP acknowledgement should include the supporting analysis and findings, and would be consistent in providing "…evidence in support of favorable rate-making treatment of the action, although it is not a guarantee of favorable treatment."[1]

**OAR 860-090-0110 Integrated Resource Plan Updates**

NW Natural recommends removing Section 4 – please see discussion above in comments to OAR 860-090-0030.

**Conclusion**

NW Natural appreciates the opportunity to comment and looks forward to working with Staff and other stakeholders to develop rules that are clear and provide flexibility.

Please address correspondence on this matter to Rebecca Trujillo at rebecca.trujillo@nwnatural.com with copies to the following:

eFiling
Rates and Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, OR 97204
Telephone: (503) 610-7330
Fax: (503) 220-2579
eFiling@nwnatural.com

Sincerely,

*/s/ Rebecca Trujillo*

Rebecca Trujillo
Regulatory Compliance

[1] *Least-Cost Planning Investigation – Met Retention*, Docket No. UM 180, Order No. 89-507 (Apr. 20, 1989).

NW Natural®

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

July 16, 2025

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**RE: AR 669 – NW Natural Comments on Staff's Revised Proposed Rules**

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), appreciates the opportunity to submit comments on Staff's second draft of proposed Integrated Resource Plan ("IRP") rules, issued July 2, 2025, in docket AR 669. NW Natural understands that this is the second round of comments and appreciates the Public Utility Commission of Oregon ("Commission") Staff's engagement and the intent to streamline the IRP process. Following the workshop discussions and review of stakeholders' comments, NW Natural has contemplated the interactions of the different provisions of the draft proposed rules and identified several key concerns that, when considering the entire process, neither streamline nor modernize the IRP process in Oregon. Instead, NW Natural is concerned that unintended consequences may:

(1) create a more burdensome process;

(2) lead to overlapping planning processes and constant restudies;

(3) threaten energy utilities' ability to make timely and critical investments; and

(4) potentially lead to increased costs to customers.

Accordingly, while NW Natural agrees with the general structure and many of the components identified in the draft proposed rules, the Company recommends that Staff hold additional discussions to clarify the intent behind some of the specific requirements and potentially identify alternative approaches that better balance the relevant interests in line with Commission policy and governing statutes.

**General Comments**

NW Natural is committed to engagement with Staff and stakeholders to modernize and streamline the IRP rules. The draft proposed rules include positive improvements, and the Company commends Staff for its effort to develop a comprehensive process. NW Natural understands much of the intent behind the separate provisions addressing the

IRP process, but the combined effects of the separate provisions raise concerns. Accordingly, NW Natural recommends further discussion and exploration of the broader impact of the rules to avoid unintended outcomes and increased costs to customers, given the complexity of utility planning and long-lead time needed for construction.

NW Natural's comments below address specific issues related to the draft proposed rules, but highlight larger concerns, specifically:

- Components of the draft proposed rules would create a more burdensome process, increase the likelihood of overlapping planning proceedings, and decrease certainty for utilities, customers, and stakeholders.
- The process appears to require a significant commitment for dedicated utility planners, requiring additional staffing and increasing costs to customers, that may not be commensurate with the apparent benefits.
- Finally, taken as a whole, the draft proposed rules do not appear to balance the interests of customers and stakeholders, in that they will likely increase costs while providing less certainty to energy utilities.

Customers benefit from the IRP process through the Commission's review of energy utilities' resource plans and acknowledgement of action items to allow for timely investments in infrastructure. After taking into consideration the comments filed in this docket and a thorough review of the proposed process as a whole, NW Natural believes those benefits may not be realized under the current draft proposed rules. Instead, customers may face increased staffing costs for the additional process and costs associated with delayed energy utility decision-making. Accordingly, additional discussion is needed to determine if the benefits of the process outweigh the cost to customers.

NW Natural Comments on Specific Sections

**OAR 860-090-0030 Integrated Resource Plan Procedural Requirements**

OAR 860-090-0030(2) – NW Natural appreciates Staff's intent to provide clarity to energy utilities through the use of the Standard Information Requests ("SIR") to support the filing of an IRP. That being said, it is unclear what data the SIRs will require or the process for revision, making it difficult to comment on this provision of the draft proposed rules. Staff stated that the SIRs are intended to be standard across all utilities within a given sector (leaving open the possibility of specific SIRs to individual energy utilities), but admitted that the content of the SIRs is undetermined.[1] Additionally, NW Natural recommends that Staff clarify that the SIRs for an IRP and IRP Update will be specific to the scope of each process.

[1] Staff Response to Comments at p. 6.

OAR 860-090-0030(4) – NW Natural requests that Staff provide additional clarification as to the basis for and scope of this provision of the draft proposed rules. Resource planning is inherently subject to changed conditions. There may be situations where a utility must act quickly to address rapidly evolving reliability risk, take advantage of market conditions to reduce costs to customers, or address new federal or state regulatory requirements during a pending IRP proceeding. As currently written, if such an action is deemed to be in "direct conflict" with an action plan item, the IRP process may need to be restarted. It is unclear why this would be necessary given other sections specifically limiting reliance on acknowledgment of the IRP action items or long-term strategy.[2]

**OAR 860-090-0040 Procedures for Public Participation**

As currently written, OAR 860-090-0040 of the draft proposed rules would unnecessarily extend the review process, increasing the likelihood of overlapping filings and delaying utility decision-making. The Commission has a long history of striving to complete IRP reviews in 180 days. The current language eliminates that policy without clear explanation as to the basis for the change. This is important because planning assumptions become more and more stale over the course of a proceeding, meaning that an energy utility, responding to real world requirements, may either run afoul of other provisions (e.g. OAR 860-090-0030(4)) or run into changed conditions in preparation for the following IRP Update.

OAR 860-090-0040(1)(b) – NW Natural recommends that the language regarding the required timing for the utility's presentation before the Commission be modified to state:

> "In the case of an IRP or CEP, the procedural schedule shall endeavor to include a time no less than 14 days and no more than 30 days following the filing of the IRP or CEP for the utility's presentation of the IRP or CEP to the Commission, at which the utility will be required to appear and present."

Providing a deadline for an informational presentation in rules is overly prescriptive and removes the Administrative Hearing Division's flexibility to address Commissioners' and parties' schedules.

OAR 860-090-0040(1)(c) – It is crucial that the Commission continue its long-standing policy of seeking to complete an IRP proceeding within 180 days, by retaining the requirement that Staff and parties complete their comments *and recommendations* within 180 days of the IRP being filed. Delays put Oregon at risk

[2] *See e.g.,* Draft Proposed Rules OAR 860-090-0050(5)("Acknowledgment of an IRP does not indicate that the Commission approves all supporting analysis or findings in an IRP.")

of falling behind in investment in critical infrastructure and excessive planning delays would simply add to that risk.

OAR 860-090-0040(2) – NW Natural recommends that additional language be added to OAR 860-090-0040(2) to articulate specific circumstances that would justify suspension or extension of the procedural schedule. This provision appears to be largely unnecessary given the Commission's ability to withhold acknowledgment, direct filing of a new IRP, and the annual IRP Update requirement. Absent the identification of specific criteria, suspension could be requested by parties seeking simply to delay the process for their own commercial reasons or to leverage policy arguments into a planning proceeding. Identifying specific criteria streamlines the process, as per the original intent of the IRP modernization effort.

**OAR 860-090-0050 Integrated Resource Plan Acknowledgment**

IRP acknowledgment is a fundamental component of any regulatory planning review process as it balances interests of stakeholders and the energy utility. NW Natural understands the intent of the OAR 860-090-0050 in the draft proposed rules, but requests additional clarification to clearly balance those interests. Otherwise, the Commission risks creating an endless planning process where all data is stale and utilities gain no certainty as to the reasonableness of decisions.

OAR 860-090-0050(3) – NW Natural recommends that the deleted language in the new draft be retained. A clear statement of acknowledgment is necessary to balance interests in the planning review process. Energy utilities understand that acknowledgment is not a guarantee of recovery, but it provides clarity that based on the information available at the time the plan was reasonable. Without the deleted language in OAR 860-090-0050(3), OAR 860-090-0050(5) appears to eliminate any ability to build a case for prudency in a future rate proceeding by granting a future Commission the ability to disclaim studies in a past IRP after-the-fact. Staff appear to have misinterpreted NW Natural's concern in its previous comments.[3]

Additionally, NW Natural requests clarification as to the new standard articulated in OAR 860-090-0050(3). OAR 860-090-0050(3) ties acknowledgment to customers' interests. This is a deviation from the Commission's general powers to balance interests of utility investors and consumers by ensuring just and reasonable rates and practices,[4] and deviates from the Commission's prior IRP policy of identifying needed investments that are least-cost and least-risk to the utility and customers, consistent with the long-run public interest,[5] which has been articulated at length under the Commission prudency definition and past IRP decisions.

---

[3] *See* AR 669, Staff response to comments at p. 8.
[4] ORS § 756.040.
[5] *In re Public Utility Commission of Oregon, Investigation into Integrated Resource Planning*, Docket No. UM 1056, Order No. 07-002 at 2 (Jan. 8, 2007).

OAR 860-090-0050(5) – As discussed above, this section could be read to remove the acknowledgement of action plan items by future Commissions through the questioning of methodology and studies. That would contravene the Commission's definition of prudency as being based on what the energy utility knew or should have known at the time.[6] OAR 860-090-0050(5) should be revised to remove the first sentence as follows:

> (5) ~~Acknowledgment of an IRP does not indicate that the Commission approves all supporting analysis or findings in an IRP for use in future determinations.~~ The Commission may identify potential changes or additions to elements of the utility's IRP analysis that may meaningfully inform future Commission determinations if performed by the utility.

**OAR 860-090-0060 Components of the Integrated Resource Plan**

There is a natural tension between having the most current information in the IRP analysis with the combination of requiring more stakeholder process and increasingly complex analyses. The Commission must balance those competing desires in a way that does not result in unintended harm to customers and the energy utility's ability to provide safe, reliable, and affordable service and a reasonable opportunity to recover its costs. While NW Natural appreciates the articulation of specific required components of the IRP, as written, OAR 860-090-0060 raises several questions and may be difficult to implement without substantially increasing costs and risks.

OAR 860-090-0060(4) – NW Natural understands and agrees with the importance of engaging with stakeholders and seeking input, but this must be balanced with the highly technical and complex reality of utility operations. Accordingly, sections OAR 860-090-0060(4)(a)-(b) provide useful and important guidance for energy utilities. NW Natural, however, recommends three clarifications in sections OAR 860-090-0060(4)(b), (c), and (d) to remove what could be interpreted as unnecessarily burdensome requirements to provide specific details responsive to individual stakeholder comments. First, Staff should clarify that the "written public comments received" referenced in OAR 860-090-0060(4)(b) is limited to specified opportunities for comment provided in the energy utility's technical workshops or broader IRP process. NW Natural is concerned that any comment in a meeting instant message forum could qualify, which would be unnecessarily burdensome to track and provide a response. Second, NW Natural recommends that Staff clarify OAR 860-090-0060(4)(c) to allow for a general discussion, similar to Staff's helpful table of responses to comments in this proceeding. Third, OAR 860-090-0060(4)(d) is unnecessary and should be removed. OAR 860-090-0060(4)(d) appears to require specific documentation of the explanation to stakeholders of how their individual

[6] *See In the Matter of PacifiCorp, dba Pacific Power's, Request for a General Rate Revision*, Docket No. UE 246, Order No. 12-493 at 25 (Dec. 12, 2020).

input was incorporated into the filed IRP. This requirement is burdensome on its face and creates an additional timing issue because the energy utility would need to complete the IRP, then explain how each individual public comment was incorporated into the final IRP. This is overly burdensome and unnecessary given the requirement already established in OAR 860-090-0060(4)(c).

OAR 860-090-0060(5) – NW Natural requests that Staff make a minor revision to OAR 860-090-0060(5) to avoid increasing the risk of unintentional errors in filed IRPs. OAR 860-090-0060(5) requires narrative explanation and page reference to the utility's response to any specific direction from the Commission. NW Natural recommends that the reference be to the appropriate section or subsection of the IRP, rather than the page. Finalization of the IRP involves a number of steps, the last of which is preparation for printing and filing. Requiring specific page reference is overly burdensome and can lead to unintentional errors when converting documents to their final format.

OAR 860-090-0060(6) – NW Natural recommends Staff continue discussions with stakeholders to clarify the intent behind and clarify the requirements articulated in OAR 860-090-0060(6) of the draft proposed rules. NW Natural agrees with the comments submitted by the Joint Utilities on the first draft of the proposed rules regarding OAR 860-090-0060(6)(a) but does not understand Staff's response to those comments. It is impossible to incorporate the 'most recent load forecast' due to the need to lock down assumptions to complete the stakeholder engagement required under the draft proposed rules.

Additionally, NW Natural would appreciate additional discussions on the scope of the "upper and lower bounds" on resource needs identified in OAR 860-090-0060(6)(b), along with a discussion on whether OAR 860-090-0060(6)(c) should be revised to limit the required discussion to "key" assumptions.

OAR 860-090-0060(7) –NW Natural appreciates Staff's response to Cascade's comment on OAR 860-090-0060(7)(b) to recognize differences between electric and gas utility IRPs. This is an important consideration, and additional clarifications may be necessary to avoid placing unnecessary or overly burdensome requirements on gas utilities that may be appropriate only for electric utility planning. For example, NW Natural request that Staff lead additional discussion on the requirement in OAR 860-090-0060(7)(e) related to how the reliability analysis accounts for opportunities presented by regional demand and resource diversity relative to gas utilities.

More specifically to this section of the draft proposed rules, NW Natural has a number of concerns. First, as currently drafted, OAR 860-090-0060(7)(c) inappropriately shifts from an assumption and planning process focus to an outcome focus. After reviewing Staff's response to Cascade, NW Natural does not believe that is the intent, but the draft rule language should be further clarified to prevent future misinterpretation because, taken on its face, the section appears to require the energy utility to change its modeling to provide different ranges of outcomes, which would undermine the entire planning process.

Second, OAR 860-090-0060(7)(g) introduces two primary issues related to the requirement to calculate an Oregon-allocated revenue requirement. The Joint Utilities raised the valid concern that calculating a hypothetical revenue requirement at the level to determine rate impact would require a substantial number of significant assumptions, overly burdening the IRP process. Staff's response to the Joint Utilities only highlights the issue. Instead of addressing the issue raised regarding the study, Staff's proposed solution was to limit the use of the study because of the uncertainty. This solution appears to acknowledge the issue that the study itself would be inherently uncertain but avoids the discussion on whether the additional effort and cost to produce the study are worth the purported benefits. Second, calculating an Oregon-allocated revenue requirement over the next five years adds another level of complication for multi-state energy utilities, one that would likely result in distorted results given how NW Natural operates its system. For NW Natural, the planning process does not evaluate resources with separate costs for Oregon and Washington, and to do so could force inefficiencies and may require state by state planning, increasing both planning and resource costs to customers. Accordingly, NW Natural recommends that OAR 860-090-0060(7)(B) be removed from the draft proposed rules.

OAR 860-090-0060(7)(g)(E), along with OAR 860-090-0110(5)(b), introduces a new requirement for gas utilities. NW Natural agrees with comments from the Joint Utilities, and Staff's response appears to focus on electric utilities subject to ORS 469A.715. NW Natural is always seeking additional opportunities to engage with its customers to improve service. NW Natural recommends that energy utilities not subject to ORS 469A.715 either be exempted or provided additional time to engage with customers and advisory groups to determine appropriate metrics for community impacts.

Staff's new edit to OAR 860-090-0060(7)(h) requires additional discussion and clarification as well. In particular how does Staff envision scoring metrics to be discussed in the proposed matrix and what is the weighting?

OAR 860-090-0060(9) – NW Natural agrees with the issues raised in the Joint Utilities' first round of comments and does not find Staff's response as clearly acknowledging and addressing the concerns raised. It is unclear if Staff is essentially minimizing the required analysis, implying that only a discussion on what is a plausible resource is required in an IRP, or if something more will be required. Further discussions and clarifications are required in this section.

**OAR 860-090-0070 Draft Elements of the Integrated Resource Plan**

NW Natural appreciates the effort to break out specific elements of a draft IRP for comment. NW Natural understands how this proposal could be viewed as a potential way to streamline comments during IRP development but is concerned that it may have the opposite effect.

The Company has two primary concerns. First, NW Natural is concerned it would require the lockdown of assumptions significantly earlier in the IRP development process, thus increasing the risk of reliance on stale data. Traditionally, NW Natural schedules its IRP Technical Work Group (TWG) meetings to review assumptions with stakeholders as we go through the IRP preparation. This allows parties to provide input on specific assumptions that will be incorporated into the modeling. NW Natural uses its IRP Feedback Form to track and respond to comments along the way. Requiring solicitation of written feedback on specific elements may distract from the importance of stakeholder input on those modeling assumptions. More importantly, seeking written feedback on results may be too far along in the process to incorporate feedback into the modeling.

Second, incorporating feedback on each element of the expanded process will likely have to be started while the Commission's review of a prior IRP Update filing, or even possibly a prior IRP, was still pending. This makes it difficult to incorporate the Commission's direction into the IRP because the development would already be substantially on its way.

**OAR 860-090-0110 Integrated Resource Plan Updates**

Again, NW Natural appreciates Staff's efforts to streamline the IRP Update process and supports use of the template process. Template submittals could be an incredibly useful tool to simplify the review and increase stakeholder understanding of the planning process. NW Natural, however, requests that Staff modify the filing requirements and update the IRP Update SIRs to match a simplified template. NW Natural is concerned that modifications are required to avoid the risk that IRP Updates unintentionally result in the need to recreate the full IRP to allow for the possibility that the Commission accept the IRP Update so that the utility will have some certainty when implementing its action plan. Absent acceptance by the Commission, implementation of the action plan would be at considerable risk to the utility and its shareholders.

OAR 860-090-0110(1) – NW Natural is concerned that the requirements and timing for the IRP Update defeat the stated intent of modernizing and streamlining IRP process because the requirement to file the IRP Update one year following 'filing' of the IRP provides little time to identify and address changed conditions. OAR 860-090-0110(1) identifies the purpose of the IRP Update as: (1) providing visibility into utility implementation of the near-term action plan; (2) facilitating efficient scrutiny of any changes to the near-term action plan; and (3) identifying whether the utility's long-term resource strategy remains relevant. The timing of the first IRP Update is unlikely to provide much insight into any of the three stated purposes. Implementation efforts of action plans that may only have been acknowledged a few months prior to the filing of the IRP Update may not have started. Similarly, changes may have just been identified. More information may be available in a later IRP Update for those analyses, but NW Natural questions whether an analysis of the utility's long-term resource strategy outside a full IRP is valuable or appropriate.

OAR 860-090-0110(3) – NW Natural believes that the intent behind the draft proposed rules is to streamline the IRP Update process and avoid the expense of prolonged evaluation between IRP filings. However, NW Natural requests that Staff hold further discussions on the additional information required to be filed with the IRP Update template. OAR 860-090-0110(3)(b) requires updates to the most recent IRP reference case and OAR 860-090-0110(3)(c) then requires a quantitative comparison of the updated reference case forecasts with the range of planning scenarios considered in the IRP. This combination essentially requires a full portfolio analysis to justify the action plan. Additional discussion on what Staff is seeking in the quantitative analysis would be helpful in crafting specific language to address Staff's concerns.

OAR 860-090-0110(6) – Most importantly for this section, NW Natural requests: (1) clarification on the basis for acceptance, versus the prior policy of acknowledgment if requested by a utility; and (2) establishment of a timeline for review. The current policy for IRP Updates provides a valuable tool. If an energy utility determines significantly changed circumstances, it can seek acknowledgment of the IRP Update, which could include changes to the action plan. The language in the draft proposed rules takes that option away from the energy utility and provides something less. Instead, the IRP Update could be accepted or not accepted, but the meaning of that remains unclear. OAR 860-090-0110(6) states that "[a]cceptance of the IRP Update *may* indicate that updates to the utility's action plan presented in the IRP Update are consistent with the scope or the prior IRP acknowledgment order." Again, this intentional addition of uncertainty in the IRP process goes against the stated goal of this rulemaking and only disadvantages customers by increasing cost and risk.

These risks could be even greater given the identified factors the Commission may consider. Specifically, it appears that the Commission could consider external information, outside of the record or energy utility analysis, as a basis for not accepting the IRP Update. This could have significant consequences for the utility and its customers. The capital-intensive nature of the industry and risk to recovery for large investments could essentially halt implementation of an action plan if the Commission were to not accept an IRP Update because of one of the articulated factors. That is why the prior policy of allowing the utility to request acknowledgment of an IRP Update is still the best policy, as it allows a utility to implement its plan based on internal analysis and decision-making, addressing prudence in a later proceeding. Under the current language in OAR 860-090-0110(6), any decision by the Commission other than acceptance creates a significant risk to rate recovery, potentially forcing energy utilities to reconsider or delay necessary investments.

## Conclusion

NW Natural appreciates the opportunity to provide comments and NW Natural looks forward to working with Staff and other stakeholders on draft rules that are clear and provide appropriate flexibility.

Please address correspondence on this matter to Rebecca Trujillo at rebecca.trujillo@nwnatural.com with copies to the following:

eFiling
Rates and Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, OR 97204
Telephone: (503) 610-7330
Fax: (503) 220-2579
eFiling@nwnatural.com

Sincerely,

*/s/ Rebecca Trujillo*

Rebecca Trujillo
Regulatory Compliance

NW Natural®

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

August 20, 2025

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**RE: AR 669 – NW Natural Comments on Staff's Revised Proposed Rules**

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), appreciates the opportunity to submit this response to Staff's new draft proposed rules for information requests in hybrid proceedings ("Information Request Proposed Rules") and request for additional comments on the draft proposed Integrated Resource Plan and competitive bidding rules ("IRP/CBR Proposed Rules"). NW Natural thanks Staff for its continued engagement and consideration in Staff's August 6, 2025 presentation of an initial set of the issues raised by parties on the IRP/CBR Proposed Rules.

NW Natural is, however, extremely concerned about Staff's schedule for this docket given the recent issuance of the additional Information Request Proposed Rules at this late stage in the process. During the August 6, 2025 workshop, Staff stated that it intends to take both of the draft proposed rules to the Public Utility Commission of Oregon's ("Commission") September 16, 2025 public meeting. That means that there is only one opportunity to provide written comments on the Information Request Proposed Rules, and no opportunity to respond to other parties' comments before the Commission acts.

This is concerning because, to date, the discussions have focused on Staff's development of standard data requests ("SDR") and the energy utilities' early engagement with stakeholders. Staff's basis for establishing SDRs for IRPs was to limit the burden of discovery by clarifying key information required to evaluate IRPs and providing more time to gather that information before filing.[1] The draft Information Request Proposed Rules appear to reverse that stated intent, and instead would create a one-sided right to discovery at the latest stage of the IRP process, which will, quite likely, ensure the continued contentious litigation in IRP and request for proposals ("RFP") dockets that has become the norm.

Further, NW Natural is concerned that the timing provides no opportunity to review and understand Staff's response to *all* of the detailed July 16, 2025 second round comments to the IRP/CBR Proposed Rules. During Staff's August 6, 2025 workshop, Staff presented its

---

[1] *In the matter of Public Utility Commission of Oregon, Investigation into Integrated Resource Plan (IEP) and Request for Proposal (RFP) Modernization*, Docket No. UM 2348, Order No. 25-111 Appendix A at 5 (Mar. 24, 2025).

response or sought additional comment on 12 provisions in the draft IRP/CBR Proposed Rules. Parties raised a much larger number of concerns in comments that Staff did not address in that workshop. Similar to the proposed requirement in OAR 860-090-0060(4)(d), Staff should take the time to explain its decisions to incorporate or reject public input.

## 1. New Information Request Proposed Rules (New OAR 860-001-0205)

NW Natural recommends that the draft Information Request Proposed Rules receive additional discussion, scrutiny, and consideration from Staff to appropriately fit with the Commission's existing rules and carefully consider each of the provisions included and their future implementation *before* the Commission initiates a formal rulemaking. As stated above, it is unclear why these special discovery provisions are being proposed at this late stage given Staff's intent to minimize discovery. While NW Natural is not opposed to formalizing the discovery process in IRP proceedings, the draft Information Request Proposed Rules need additional clarity to be fair and workable.

NW Natural has a number of concerns regarding the draft Information Request Proposed Rules, ranging from the inherent fairness concerns to basic structure issues in the proposed process. The general concern over the discovery rules appeared to be shared by a number of stakeholders during the August 6, 2025 workshop.

### a. The Proposed One-Sided Discovery Process is Inherently Unfair and Would Likely Produce a Biased Record for Commission Decisions

Most importantly, the draft Information Request Proposed Rules create an inequitable discovery process that will lead to an insufficient record for the Commission to make its decision. As currently drafted, the Information Request Proposed Rules only allow for one-sided discovery.[2] As parties continue to produce information or studies to support positions different than the filed IRP, it becomes increasingly imperative that energy utilities have the ability to conduct their own discovery to test the validity of any factual or policy assertions.

For example, there are increasing requests that parties be provided with software licenses to run their own modeling studies. If the energy utility is prohibited from submitting discovery, there is no way of testing the validity of a party's assumptions or accuracy of any alternative model run presented with comments. This unfairly limits the energy utility's ability to advocate for its filed IRP. It would be fundamentally unfair, and simply bad policy, for a state agency to incorporate in rule such a one-sided process that could lead to incorrect factual assertions being the basis for a Commission decision.

Similarly, parties have increasingly been advocating broader energy policy positions or seeking competitive advantages beyond those typically addressed or allowed in resource planning to protect customer interests. The IRP was originally meant to assure an adequate and reliable supply of energy at the least cost to the utility and its customers consistent with the long-run public interest.[3] Discovery may be critical to identify whether an assertion is based in customer

---

[2] Proposed OAR 860-001-0205(2)(b) – "Commission Staff and any person holding LPI status may submit information requests to the energy utility…."
[3] *Re Least-cost Planning for Resource Acquisitions*, Docket UM 180, Order No. 89-507 at 3 (Apr. 20, 1989).

interest or, conversely, external policy advocacy beyond the Commission's statutory authority or external commercial interests.

b. As Currently Drafted, the Rules Create an Unnecessarily Confusing Process that May Result in More, Rather than Fewer, Disputes

Based on the timing and content of the draft Information Request Proposed Rules, they appear to be an after-thought in this process that does not integrate well with the draft IRP/CBR Proposed Rules under development in this docket. As mentioned above, the additional discovery process contradicts Staff's stated goal of the SDRs. Instead, they create a new discovery process, using a new term ("Information Request") while applying substantially similar requirements applicable to discovery in contested cases. To make this work, however, Staff proposes a new intervention process specific only to IRP/CBR proceedings. These discrepancies make it unclear what standards would apply to discovery and intervention under the new rules.

As an initial matter, the proposed numbering of the new section—OAR 860-001-0205—is confusing in that it would not be numbered near the new IRP/CBR Proposed Rules,[4] current discovery rules,[5] or rules on intervention.[6] Instead, the rules are proposed to be numbered within the Commission's rules related to rulemakings.[7] This technical issue would create a barrier to stakeholder participation for those unfamiliar with Commission rules and illustrates the need for further consideration by Staff.

In addition to all parties having the opportunity to issue discovery requests, the draft proposed rules (OAR 860-001-0205(2)) should also clarify what is meant by "commensurate with the need to provide relevant comment."[8] IRPs cover a range of future scenario evaluations involving loads, resource technology, and both state and federal energy, environmental, and tax policy, thus, potentially resulting in an incredibly broad scope of discovery that is not bound by an initial filing and the established evidentiary standards applicable to contested cases. The proposed standard is simply too broad to result in an efficient discovery process in an IRP proceeding.

Clarification and limitations on the appropriate scope of discovery will also help address concerns over what may be an "unreasonable cumulative, duplicative, and burdensome" request.[9] Energy utility planning includes a significant amount of technical detail related to safety requirements and reliability mandates, and it would be unreasonably burdensome to require a description of all of the underlying safety, reliability, and market requirements.

---

[4] Proposed for OAR 860-089-0020 through 860-089-0475 (relating to resource procurement for electric companies) and OAR 860-090-0010 through 806-090-0110 (relating to IRPs).
[5] *See* OAR 860-001-0500 through 860-001-0540.
[6] OAR 860-001-0300
[7] OAR 860-001-0200 (public participation in rulemaking); OAR 860-001-0210 (permanent rulemaking notice); OAR 860-001-0220 (rulemaking hearing); OAR 860-001-0230 (rulemaking record); OAR 860-001-0240 (rulemaking action); OAR 860-001-0250 (petitions to promulgate, amend, or repeal rules); and OAR 860-001-0260 (temporary rulemakings).
[8] Proposed OAR 860-001-0205(2).
[9] Proposed OAR 860-001-0205(2)(c).

Similarly, proposed OAR 860-001-0205(3)(b) provides that the energy utility will not be required to prepare a study in response to an information request unless the capability to prepare the study is possessed uniquely by the energy utility. This seems to be inherent to IRPs given the complexity of utility planning, resulting in the potential for a continued series of requests to study numerous options. Conducting additional study requests and modelling can be resource intensive and overly burdensome under the compressed timing of a procedural schedule.

Finally, NW Natural requests that the timing for responses in draft proposed OAR 860-001-0205(3) specify 14 'business' days. This is important for two primary reasons. First, as a practical matter, utilities have been encouraged to use more independent, third-party consultants as data resources. This would likely result in requests relating to information provided by parties that are not accustomed to the Commission's requirements for discovery responses. Specifying 14 business days, recognizes the complexity of discovery and reduces the probability of requests for extension. Second, the range of issues impacting IRPs, the effort to increase stakeholder participation, and the potential for scope creep to address policy and commercial interests has meant more requests require additional explanation to provide necessary background to provide a thorough and informative response. It is important to remember that IRPs are not like a filing leading to a contested case. For contested cases, the majority of the information is based on data that can be readily provided – e.g., accounting data, calculations, projected spending, and operating requirements. IRPs, however, are based on modeling and future assumptions – all of which are available throughout the stakeholder process. Accordingly, the discovery in an IRP will likely relate to interpretation and assumptions, and requested by parties with various levels of understanding of utility operations and regulatory requirements.

c. <u>The Potential for the Sanction Provision to Produce a Severe Result is Not Justified and Could Result in Gaming the Process</u>

Additionally, the sanctions provision (OAR 860-001-0100(10)) is confusing when applied to an IRP filing. Section 10 of the draft Information Request Proposed Rules states that the assigned administrative law judge may impose sanctions for failure or refusal to comply with a ruling resolving a dispute and impose sanctions including withdrawal of approval of a petition to intervene or the striking of a filing in the docket. It is unclear, in a one-sided discovery process, how this would apply to any party other than the energy utility, and even if it did, terminating intervention does not prohibit continued participation in the proceeding under Section (2)(a). For the energy utility, it would appear that the sanction would be to strike the IRP, terminating the proceeding itself. This could open the IRP process to gaming and unnecessary motion practice.

In conclusion, NW Natural is not opposed to formalizing the discovery rules in IRP proceedings, but it is unclear why the draft Information Request Proposed Rules are necessary now and why they are being raised at this late stage in the process. Several discrepancies in the current proposal need to be addressed, ranging from clarification as to why new discovery terminology is being used, limitations on the scope of discovery to avoid a repeat of prior discovery disputes, and the proper integration with other rules governing interventions, discovery, and IRPs and the CBR. But most importantly, the rationale behind a one-sided process needs to be articulated and justified by Staff.

**2. Staff Request for Additional Comments on Identified Sections of Draft IRP/CBR Proposed Rules**

NW Natural appreciates that Staff confirmed during the August 6, 2025 workshop that it continues to consider all of the second-round comments on the draft IRP/CBR Proposed Rules. The Company understands that Staff has only requested additional comments on the specific provisions presented in its draft Information Request Proposed Rules. That being said, NW Natural continues its request that Staff consider and address *all* of the issues identified in the Company's second round of comments. The issues identified yet not addressed by Staff in its draft Information Request Proposed Rules are important to developing a functional process that balances the interests of all stakeholders and ensures good policy and reliable service for Oregon customers.

Requested Additional Comments

| | |
|---|---|
| **OAR 860-090-0050(3)** | **"Acknowledgment of a specific action plan item generally means that the action appears to align with customers' interests, if implemented prudently, given what is known at the time of acknowledgment. Acknowledgment of an action plan item does not guarantee Commission approval of cost recovery for the action, but may be considered in future rate making decisions."** |
| | **Staff is contemplating restoring the underlined text above, which is consistent with precedent (see Order 07-002 at 24). Utility-proposed alternative ("acknowledgment is a relevant but not exclusive consideration..." (emphasis added) fails to account for situations in which IRP acknowledgment is not relevant to a rate making decision because of dramatically changed circumstances.** |

NW Natural appreciates Staff's consideration of the comments. Restoring the language is crucial to balancing the interests in the IRP process to get thoughtful engagement. NW Natural, however, encourages Staff to review the other issues addressed in the Company's second round of comments on this section of the draft IRP/CBR Proposed Rules.

| | |
|---|---|
| **OAR 860-090-0060(4)(b)** | **"Summarizes major themes of public input the utility received during the development of the plan using the mechanisms created by the utility and attaches all written public comments received in response to comment opportunities specified by the utility on each draft element of the IRP enumerated in OAR 860-090-0070."** |
| | **Utilities should provide clear, adequate opportunities for written comments, and be clear about what does and does not qualify for** |

**inclusion in the written record, e.g., video presentation chat comments. Staff requests comment on the underlined new text above.**

NW Natural appreciates Staff's consideration of this issue and supports the additional language.

**OAR 860-090-0060(6)(a)**

**"The utility must calculate resource needs based on the utility's load forecast, which must be ~~conducted no more than three months before~~ <u>the most recent available at the time that</u> the needs assessment calculation is performed, and no incremental actions beyond the commitments that the utility has entered into at the time of conducting the analysis. ~~If the utility updates its load forecast after having performed the needs assessment calculation and before the Commission has made a decision on acknowledgment, the utility must post the updated load forecast with its public IRP materials and, if the IRP has been filed, file the updated load forecast in the utility's pending IRP docket.~~"**

**Staff requests further comment on the proposed change above to eliminate 3-month requirement; specify most recent at the time needs assessment calculated (not required to revise needs assessment late in the game). With this change, second sentence may be unnecessary.**

NW Natural appreciates Staff's consideration of this issue and supports the additional language.

**OAR 860-090-0060(7)(e)**

**"The utility must describe how the reliability analysis accounts for any opportunities presented by ~~regional demand and resource diversity~~ <u>interactions with other systems and markets</u>."**

**Staff requests comment on whether the above revisions clarify the applicability of this draft to gas utilities, and whether there are any unintended consequences for electric utilities.**

NW Natural continues to have concerns regarding OAR 860-090-0060(7)(e) and the edits above remain unclear as to application and scope. Adding a reference to 'other systems and markets' does not clarify the requirement for a gas utility. Further, the expansive requirement to account for 'any' opportunities presented by the 'other systems and markets' raises a number of concerns regarding the scope of the modeling required. NW Natural continues to recommend that Staff hold additional discussions to clarify the intent behind this proposed requirement.

**OAR 860-090-0060(7)(g)(B)**

**"Near-term costs, presented as a plausible range for the total annual ~~Oregon-allocated revenue requirement~~ costs (comprehensive cost estimate) to Oregon customers over the next five years, considering near-term uncertainties such as resource ownership and cost allocation to Oregon customers. A ~~revenue requirement~~ comprehensive cost estimate provided under this rule may be used solely for the purposes of evaluating the utility's IRP and, if applicable, CEP."**

**Staff requests comment on the extent to which the alternative text above would address commenters' concerns.**

The proposed edits to OAR 860-090-0060(7)(g)(B) do not address NW Natural's concerns with this provision. The edits proposed for Staff's August 6, 2025 workshop could be interpreted as more onerous and burdensome than the original language and NW Natural recommends that Staff make additional clarification. The proposed language could be interpreted as requiring a rate comparison by customer class. That would be an extremely burdensome requirement that could not be conducted without making a number of assumptions. The current process already provides for a present value revenue requirement comparison. The additional analysis contemplated in this provision would provide no reliable data to support acknowledgment of an IRP. These provisions must be extremely clear given the increasingly litigious nature of IRP proceedings.

**OAR 860-090-0060(7)(g)(E)**

**Draft "Community impacts, presented as plausible ranges for the future impacts of the portfolio on communities within or partly within the utility's Oregon service territory."**

**Staff requests further comment including whether the draft rule text would cover the following examples:**

- **Local air pollution is affected by plant dispatch;**
- **EE selection affects comfort during extreme weather;**
- **A resiliency hub program would affect resiliency;**
- **Anticipated changes in service offerings and incentives based on portfolio.**

**Even if the utility does not know exactly which communities will be affected, they can still estimate such impacts at a high level.**

Public Utility Commission of Oregon
AR 669 - NW Natural Comments
August 20, 2025; Page 8

The additional comments requested by Staff only address HB 2021 issues in relation to electric utilities. NW Natural continues to request that Staff include an exemption for gas utilities for this provision or provide additional time to engage with customers and advisory groups to determine appropriate metrics for community impacts.

**OAR 860-090-0060(7)(h)**

**"Preferred Portfolio. The utility must select a Preferred Portfolio in the IRP and explain why it represents the best balance of cost and risk to customers and the utility. The utility must include a visual representation such as a matrix that describes how each portfolio performed against the portfolio scoring metrics and that clearly demonstrates why the preferred portfolio was selected."**

**Staff requests comment on whether the alternative text above captures the intent for the IRP to include a visual representation of each portfolio's performance to allow Staff and stakeholders to clearly understand the tradeoffs among different dimensions of cost and risk while providing adequate flexibility to the utilities.**

The added language may be helpful with additional clarification, but absent further discussion on scoring metrics and weighting, the edit appears to be more form over function and additional clarification of expected scoring metrics is required. NW Natural continues to recommend the additional language suggested by Cascade and the Joint Utilities.

**OAR 860-090-0110(3)(b)**

**"Updates to the most recent IRP reference case to reflect any key planning information that has been obtained or developed by the utility, such as updated load forecasts, fuel prices, wholesale market prices, and resource costs."**

**Staff requests comment on whether this draft rule conveys that updates to the most recent IRP reference case are only required to the extent that there is new "key planning information that has been obtained or developed by the utility" that is outside what was considered in most recent IRP. Commenters should propose alternative language as needed.**

NW Natural appreciates Staff's consideration of this issue and supports the clarification, but this should be reflected in the IRP update template as well.

Public Utility Commission of Oregon
AR 669 - NW Natural Comments
August 20, 2025; Page 9

**Conclusion**

NW Natural appreciates the opportunity to provide comments and NW Natural looks forward to continued collaboration with Staff and other stakeholders on these draft rules.

Please address correspondence on this matter to Rebecca Trujillo at rebecca.trujillo@nwnatural.com with copies to the following:

eFiling
Rates and Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, OR 97204
Telephone: (503) 610-7330
Fax: (503) 220-2579
eFiling@nwnatural.com

Sincerely,

*/s/ Rebecca Trujillo*

Rebecca Trujillo
Regulatory Compliance

NW Natural®

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

December 4, 2025

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**RE: AR 669 – NW Natural's Reply Comments**

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), appreciates the opportunity to submit these Reply Comments in response to the Notice of Proposed Rulemaking and Administrative Law Judge Sarah Spruce's October 9, 2025 Memorandum. NW Natural again thanks the Public Utility Commission of Oregon ("Commission") and Commission Staff for the continued engagement in the development of the proposed integrated resource plan ("IRP") rules ("Proposed IRP Rules") and proposed competitive bidding rules ("CBRs").

As stated in the Company's Initial Comments, NW Natural remains generally supportive of the intent behind the Proposed IRP Rules and does not take a position on the proposed CBRs as they are not applicable to gas utilities. NW Natural has reviewed the initial comments filed by stakeholders and provides these Reply Comments in response.

NW Natural raised a number of issues throughout this process regarding the inherent risk of the process in the Proposed IRP Rules because issues identified by the utilities have not been thoughtfully considered and may result in unintended consequences, including:

(1) creating an unnecessarily burdensome process;
(2) introducing overlapping planning processes and constant restudies;
(3) threatening timely decision-making; and
(4) increasing costs to customers.

The initial comments from other stakeholders in this proceeding confirm the Company's concerns and the Commission should modify the rules accordingly.

## 1) NW Natural Agrees with Comments from the Joint Utilities[1]

The central purpose of this rulemaking has been to modernize the Commission's IRP and competitive bidding rules. However, the Proposed IRP Rules create procedural inefficiencies that pose real-world challenges. These challenges could prevent or limit utilities' abilities to plan efficiently and implement acknowledged plans without the process introducing unnecessary risks to recovery. The Joint Utilities' Initial Comments discuss a number of issues that should be addressed in the Proposed IRP Rules, to which NW Natural largely agrees.

NW Natural remains concerned that the Proposed IRP Rules fail to balance interests of all stakeholders. The Proposed IRP Rules would dramatically change the IRP process, adding significant effort and cost, while potentially removing any benefit of an assurance that a utility's planning was reasonable.[2] The rules continue to rely on vague and subjective terms, providing limited guidance for utilities trying to develop and file an acceptable plan. They also lack commitment to timely acknowledgement and contain multiple provisions that may encourage unnecessary processes.

NW Natural agrees with the Joint Utilities' observation that the Proposed IRP Rules only contemplate comments submitted within six months and that acknowledgement may take up to a year.[3] This could result in extended proceedings with little time before the next IRP Update is filed—increasing the likelihood that discussions are based on stale data. The Commission should be wary of unintended consequences, one of which could be creating an endless planning process based on short-term external events, rather than long-term planning focusing on safe and reliable service.

The Proposed IRP Rules, despite several rounds of comments during the informal process, continue to lack clarity. One example is the reliance on future, undefined processes. The Proposed IRP Rules would require utilities to file and post responses to Standard Information Requests ("SIRs"), but the scope of those requests and process to identify the SIRs will not be defined until an undetermined later time. As the Joint Utilities correctly point out, neither the scope of the SIRs nor whether they would be individually tailored for the unique circumstances of each utility are currently known.[4] Additionally, stakeholders have signaled a clear intent to broaden discovery beyond information relevant to the IRP, as discussed later in these comments.[5] The SIRs are critical components that should not be developed by Staff in a silo without a fulsome

[1] PacifiCorp, Portland General Electric Company, and Idaho Power Company filed joint comments, and all collectively referred to as the Joint Utilities.
[2] Joint Utilities Initial Comments at 2.
[3] *Id.* at 21.
[4] *Id.* at 20.
[5] NIPPC Initial Comments at 3-4; RNW Initial Comments at 2-3.

opportunity for stakeholder comments. Similarly, the Proposed IRP Rules call for an IRP Update Template to simplify the IRP Update process, but that also will not be developed until an undetermined later time. Leaving these critical items for later creates additional opportunities for divergence from the modernization goal of the rulemaking.

NW Natural continues to support the IRP Update Template proposal concept, as a component that could improve and modernize the IRP process. The benefits of that concept, however, are significantly reduced by the overly burdensome data requirements proposed in OAR 860-090- 0110(3)(b) and (c). NW Natural again agrees with the Joint Utilities that OAR 860-090-0110(3)(b), as currently written, "requires a utility to redo nearly all the IRP analysis."[6]

NW Natural also supports the Joint Utilities' concerns over the approval process in IRP Updates. The Proposed IRP Rules remove acknowledgment as an option and instead impose an approval process determined on either the utility's action or external factors.[7] Staff's response to the valid concerns over the IRP Update process, however, exemplified the underlying inconsistencies in the Proposed IRP Rules. Staff addressed concerns stating that if a utility believes that its circumstances have changed significantly, the utility can simply file a new IRP rather than submitting an IRP Update.[8] Staff's proposal is illogical, as a new IRP is a multi-year process, requiring significant data collection, analysis, and stakeholder input. The Joint Utilities correctly request clarification because the implications of "non-approval" are unclear.[9] NW Natural raised the risk of "non-approval" during the informal process.[10] The capital-intensive nature of the industry and risk to recovery for large investments could essentially halt implementation of an action plan if the Commission were to not accept an IRP Update.[11]

Fundamentally, there appears to be some level of confusion regarding the intent of the IRP itself in the Proposed IRP Rules. NW Natural agrees with the Joint Utilities' request that the Commission review the Proposed IRP Rules after asking the fundamental question—What is the practical purpose of an IRP?[12] Is the IRP meant to be (1) a proxy planning document providing directional guidance; or (2) a prescriptive plan the utility is required to follow. The Proposed IRP Rules combine aspects of both. The proposed requirements to assess community impacts cannot be done on proxy resources in a

[6] *Id.* at 32.
[7] *Id*. at 32.
[8] Staff Initial Comments at 13 (Staff submitted comments "after further consideration of the proposed rules".).
[9] Joint Utilities Initial Comments at 32.
[10] NW Natural Initial Comments, Appendix B at 9 (NW Natural's July 16, 2025 Comments in the informal rulemaking process).
[11] *Id.*
[12] *Id.* at 17-20.

planning document. Similarly, the IRP Update appears to require progress updates on an acknowledged plan, with failure to do so resulting in a direction to restart the IRP process. Additionally, there appears to be a focus on what is the 'best' plan. That is entirely subjective assessment and is not an appropriate standard in a regulatory proceeding. These three examples above give the impression that the IRP will become a prescriptive plan.

**2) The Proposed IRP Rules Should Be Consistent Regarding Process**

The comprehensive nature of the Proposed IRP Rules creates an entirely new process for developing, filing, reviewing, and implementing IRPs. The proposed process is robust with accommodation for stakeholder input at the earliest stages and thorough review before the Commission. Such a comprehensive rewrite of the existing rules creates multiple opportunities for internal inconsistencies that could bog down the process, eliminating the value of early input from stakeholders. As is expected, different stakeholders take different positions on the process, but those recommendations need to be aligned with the Commission's priorities for the rules to avoid internal inconsistencies in the process.

For example, Renewable Northwest ("RNW") requests that the rules require the load forecast to be conducted no more than three months before the needs assessment.[13] The Green Energy Institute at Lewis & Clark Law School ("GEI") recommends more definitive language be included in the rule regarding community engagement and public feedback.[14] Both perspectives are valid areas for discussion on the Proposed IRP Rules, but if not evaluated within the entirety of the rules these two recommendations would lead to an impossibly circular process.

These comments point out the need for the Commission to identify its priorities for the Proposed IRP Rules, consider the offsetting balance among the components, and include appropriate flexibility to support the provision of safe, reliable, and affordable service to customers. For example, the Commission must clearly articulate if stakeholder input in the development of an IRP or timeliness of data is the priority, and when flexibility among the two is appropriate.

The Proposed IRP Rules should also be revised to articulate Staff and stakeholders' engagement responsibilities. The Proposed IRP Rules appear to presume that stakeholders will understand and consider all the requirements for utility service during the IRP process. But this is not a reasonable assumption. Understanding all aspects of utility operations will be uncommon among stakeholders. The Proposed IRP Rules

[13] RNW Initial Comments at 7.
[14] GEI Initial Comments at 6-8.

should require a balance, where stakeholders are also accountable for ensuring their comments are grounded in fundamental requirements of actual utility operations to provide safe and reliable service.

There is a natural tension between increasing public involvement while adding complexity to the IRP, yet still requiring the IRP to be accessible. This tension can only be mitigated if there is also a recognition that resource planning is complex, and stakeholders may not understand all of the intricacies of utility operations.

**3) An IRP Is a Plan, And Neither the Process nor the Plan Itself Should Be Binding**

NW Natural is concerned that the IRP process is being viewed as something other than what it was intended to be. Planning is inherently uncertain. Conditions will change during the planning process and after acknowledgment. Utilities can only plan based on the information available at the particular time and no set of scenarios will be able to evaluate all possible future circumstances. Adhering to outdated plans would not constitute good utility practice. The Commission has consistently supported the need for flexibility in the implementation of its administrative rules to allow utilities to manage operations through a constantly evolving environment. Accordingly, the Commission should reconfirm that long-standing flexibility in the Proposed IRP Rules to address changing circumstances.

New Sun Energy LLC ("NewSun"), however, argues that every aspect of the Proposed IRP Rules be made mandatory.[15] Similarly, GEI claims that the Commission inappropriately "reserves for itself sweeping authority to waive any of the requirements of the system planning rules upon a showing of good cause."[16] These arguments should be rejected.

For example, the Proposed IRP Rules currently envision requiring a significant amount of information, much of which may not be relevant to all utilities, especially utilities not subject to Clean Energy Plan (CEP) requirements. Limitations on the Commission's discretion to waive parts of its rules would be inappropriate. The rules already appear to be confused as to whether the IRP is a proxy planning document or a prescriptive plan.[17] Utilities retain the responsibility to serve customers and must have the discretion to make prudent decisions based on new information, given they alone retain the ultimate responsibility and obligation.

[15] NewSun Initial Comments at 2-6.
[16] GEI Initial Comments at 2.
[17] *See,* Joint Utilities Initial Comments at 33.

### 4) Customers Should Not Pay for Economic or Policy Advocacy

RNW argues that the utility must provide software licenses to Staff and stakeholders.[18] Customers should not be required to pay for any stakeholder, especially if the stakeholder is advocating for a private interest (economic or policy). Furthermore, RNW's recommendation makes an assumption about licensing. Granting a license is not within the utility's control and may be restricted or prohibited by the software developer.

### 5) Shifting Costs Will Not Result in Proper Planning

The Proposed IRP Rules include a requirement that multi-state utilities include a system-wide scenario—OAR 860-090-0060(7). GEI argues that the rules "should be altered to require that the utility provides additional compelling justification for any changes in preferred portfolio selection" in order to ensure Oregon customers get the least-cost, least-risk portfolio.[19] GEI's comments indicate the stakeholders may use the system-wide scenario to advocate for broader application of Oregon's energy policy. That would dramatically increase risk to customers.

Cost allocations may be different for different utilities. While some utilities may operate under prior-approved cost allocation methods, others look at individual projects to address different state policy requirements. Project-by-project cost allocations are a necessary option to meet those individual state requirements.

Additionally, for NW Natural, this proposal could lead to over-allocation of renewable natural gas resources across its jurisdictions. This only creates risk for both the utility and its customers. Cascade supports planning for efficiency and risk diversification through system planning, but GEI's comments appear to imply that Oregon may choose to shift costs to, or take benefits from, other states. The Commission should specifically reject that implication.

### 6) Acknowledgment Should Provide a Reasonable Level of Assurance to Utilities

As mentioned above, the Proposed IRP Rules lack balance. Staff's comments related to Proposed IRP Rule OAR 860-090-0050(5) confirm that lack of balance. Proposed IRP Rule OAR 860-090-0050(5) would affirmatively state that acknowledgment does not indicate approval of supporting analyses or finding in an IRP. Staff argues that acceptance of underlying data and analyses would slow the IRP process because it would require stakeholders to check all data and analyses with an "eye to possible

[18] RNW Initial Comments at 6.
[19] GEI Initial Comments at 5.

future uses."[20] This is, first, an exaggeration, as the primary future use is to justify prudence in investments. Equally as important, however, Staff misses the primary point that the IRP is a plan based on the information available at the time. If a utility cannot receive assurance that acknowledgement confirms that the IRP is a reasonable plan to meet customers' service needs, based on the information available at the time, the entire process will result in a costly, yet unproductive endeavor. The IRP is not a prudence review, and the utility always maintains the obligation to adjust its plans based on changed circumstances, but acknowledgement provides reasonable confirmation to the utility that it has been prudently planning for its customers.

**7) The Proposed Cost Impact Calculation is Ill-defined and Will Only Confuse the IRP Review Effort**

NW Natural and the Joint Utilities have repeatedly sought clarification on the various iterations of a new proposed requirement of calculating the rate impact of various portfolios in the IRP. In its initial comments, Staff offers yet another revision.[21] Staff's proposed edits create additional confusion. Staff proposes additional revisions to the language in Proposed IRP Rule OAR 860-090-0060(7)(g), requiring a determination of the present value of the expected net costs to Oregon customers over the planning horizon, and near-term. The additional edits provide no further clarity, have not been vetted, and would turn the IRP review process into a comparative rate assessment based on hypothetical assumptions and proxy resources. This would only distract from the IRP review and unnecessarily broaden and prolong the IRP proceeding.

**8) The Initial Comments of Stakeholders Confirm NW Natural's Concerns Regarding Discovery**

Comments from stakeholders illustrate how discovery will quickly become an out-of-control activity in an IRP. Both RNW and the Northwest & Intermountain Power Producers Coalition ("NIPPC") argue for unlimited, out of scope discovery, claiming that normal relevancy and admissibility restrictions do not apply to the hybrid IRP proceeding.[22] This is not an appropriate justification and raises serious concerns about fairness. It is not appropriate to allow discovery of irrelevant information and not enforce some admissibility requirements if stakeholders include purportedly factual assertions in their IRP comments when there is limited opportunity for utilities to respond or conduct their own discovery in response.

[20] Staff Initial Comments at 7.
[21] Staff Initial Comments at 10.
[22] NIPPC Initial Comments at 3-4; RNW Initial Comments at 2-3.

While not NW Natural's preferred approach, at least GEI's proposal[23] that the Commission identify what can be requested in an IRP proceeding would allow for some protection. If the Commission agrees that discovery in an IRP should be formalized, this may be the only way to maintain some reasonable semblance of process in the IRP. NW Natural, however, believes this issue may be largely addressed through the SIRs. An appropriate set of SIRs, established after a fulsome opportunity for stakeholder comments, could address the majority of information needed by stakeholders.

Please address correspondence on this matter to me at rebecca.trujillo@nwnatural.com with copies to the following:

eFiling
Rates and Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, OR 97204
Telephone: (503) 610-7330
Fax: (503) 220-2579
eFiling@nwnatural.com

Sincerely,

*/s/ Rebecca Trujillo*

Rebecca Trujillo
Regulatory Compliance

[23] GEI Initial Comments at 9-10.