BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

LC 73

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY 2019 Integrated Resource Plan	COMMUNITY RENEWABLE ENERGY ASSOCIATION, RENEWABLE ENERGY COALITION, AND NORTHWEST & INTERMOUNTAIN POWER PRODUCERS COALITION'S COMMENTS ON PGE'S REQUEST FOR EXTENSION OF TIME TO FILE NEXT INTEGRATED RESOURCE PLAN

I. INTRODUCTION

The Community Renewable Energy Association ("CREA"), the Renewable Energy Coalition (the "Coalition"), and the Northwest & Intermountain Power Producers Coalition ("NIPPC") (collectively the "QF Trade Associations") file these comments on Portland General Electric Company's ("PGE's") Request for Extension of Time to File its Next Integrated Resource Plan ("IRP") pursuant to OAR 860-001-0420(4). PGE has requested the Oregon Public Utility Commission ("OPUC" or the "Commission) grant an extension of time to file its 2022 IRP and associated updates. The QF Trade Associations do not object to the request for extension of time unless it delays the settlement agreement reached in UM 1728 for PGE to perform a qualifying facility ("QF") forecast sensitivity analyses in advance of the 2022 IRP. Staff also supports the extension request conditioned on PGE completing the QF sensitivity analyses. The QF Trade Associations support Staff's recommendation. Therefore, the Commission should condition approval of the request on a requirement that it not delay the forecast sensitivity analyses that are required by settlement agreement in UM 1728.

II. DISCUSSION

In UM 1728, several parties had concerns with PGE's avoided cost rate filing.[1] PGE's proposal was based on the assumption that 100% of qualifying facilities with contracts but not yet operational would timely reach commercial operation, and 0% of operating and existing qualifying facilities would renew their contracts with PGE.[2] These assumptions impact the amount of capacity PGE assumes will exist on its system, which has significant impacts to various metrics, including the Effective Load Carrying Capability ("ELCC"). The QF Trade Associations challenged these assumptions arguing that more reasonable assumptions should be used, and that a reasonable forecast is likely somewhere between 30% and 60% for new QFs to come online (rather than 100%) and likely as high as 100% for existing QFs to renew their contracts (rather than 0%).[3]

OPUC Staff agreed with the QF parties that "a 50-75% QF success rate is a more reasonable reflection of reality for the purposes of identifying the appropriate

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1 *In re PGE Updates to Schedule 201 QF (10 MW or less) Avoided Cost*, Docket No. UM 1728, Order No. 21-215, Appendix A at 3-10 (July 6, 2021).

2 Docket No. UM 1728, Order No. 21-215, Appendix A at 3-5.

3 *See* Docket No. UM 1728, Coalition and NIPPC's Comments on the 2021 Annual Update at 15 (June 8, 2021); Docket No. UM 1728, Comments of CREA on PGE's 2021 Annual Avoided Cost Update at 1-2 (June 8, 2021) (stating CREA reviewed the Coalition and NIPPC comments and agreed with points made in the comments).

compensation of marginal capacity value of future solar QFs[.]"[4] Staff also recommended "the Commission modify PGE's avoided cost update to reflect an 8.5% solar ELCC."[5]

PGE, Staff, the Coalition, and NIPPC entered into a settlement all proposing that the Commission approve modifications to PGE's avoided cost prices. The Coalition and NIPPC agreed to support the 8.5 percent ELCC value conditional on PGE performing QF forecast sensitivity analyses and ELCC analyses in advance of the 2022 IRP, which PGE agreed to do.[6] PGE agreed to incorporate the 8.5 percent solar ELCC into its avoided cost pricing and conduct a study forecasting QF online and renewals.[7]

Specifically, PGE agreed:

> To be presented in an IRP roundtable as part of its next IRP, with meeting materials (which will include non-confidential materials only) provided to UM 1728 stakeholders at least two weeks in advance:
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> - PGE will develop QF online and renewal sensitivity analyses. For QFs with contracts that are executed but that are not yet operational at the time of the snapshot, PGE will examine factors including but not be limited to: the historic percentage of PGE's QFs having reached commercial operations, the opportunities to sell power to other utilities, sophistication and experience of project developers, contractual provisions, technology, and interconnection risks. At least one analysis will start with PGE's historic percentage of PGE's QFs that have reached commercial operations. For QF renewals, PGE will examine factors including but not limited to: the historic percentage of PGE's QFs that have renewed their contracts, the sophistication and experience of

4 Docket No. UM 1728, Order No. 21-215, Appendix A at 6.
5 Docket No. UM 1728, Order No. 21-215, Appendix A at 6.
6 Docket No. UM 1728, Order No. 21-215, Appendix A at 6.
7 Docket No. UM 1728, Order No. 21-215, Appendix A at 6.

> project developers, contractual provisions, technology, the opportunity to sell power to other utilities, and interconnection risks. At least one analysis will start with PGE's historic percentage of PGE's QFs that have renewed their contracts. PGE will also review the historic percentage of QFs reaching completion and renewals for other utilities.[8]

As the Staff memo explains, "REC/NIPPC agreed to support an 8.5 percent ELCC conditioned on PGE's agreement to perform a QF forecast sensitivity analyses in advance of the 2022 IRP."[9] While CREA was not a party to the settlement, CREA was still affected by the settlement because the Commission relied on the settlement to approve updates to Schedule 2021, avoided cost payments to QFs.[10]

In this docket, PGE filed a request for extension of time to file its next IRP.[11] Specifically, PGE requests the time to file the IRP be extended from March 16, 2022 to March 31, 2023.[12] If approved, the next IRP filing deadline would not be until 2023, which is after the settlement agreement date to complete the sensitivity analyses before the 2022 IRP.

The QF Trade Associations are not opposed to PGE filing its next IRP a year later. However, the QF Trade Associations are opposed to delaying the sensitivity analyses. If the Coalition and NIPPC had known PGE would not have to complete the

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8 Docket No. UM 1728, Order No. 21-215, Appendix A at 12.
9 Docket No. UM 1728, Order No. 21-215, Appendix A at 6.
10 Docket No. UM 1728, Order No. 21-215 at 1.
11 PGE's Motion Requesting Extension of Time to File its Next IRP at 1 (Oct. 15, 2021).
12 PGE's Motion Requesting Extension of Time to File its Next IRP at 1 (Oct. 15, 2021).

sensitivity analyses until 2023, the Coalition and NIPPC may not have agreed to the settlement or requested that a specific date for the analysis be required. ELCC values and QF forecasting are an important component of avoided cost pricing. These issues are very important to the QF Trade Associations' members, and it is important that PGE be required to complete the QF forecasting sensitivity analyses it agreed to in settlement. Thus, the Commission should only approve PGE's request for extension of time to file its next IRP on the condition that PGE complete the sensitivity analyses by the time it would have filed its IRP in 2022 (March 16, 2022).

Staff recommended that the Commission should grant PGE's extension request to fully implement the requirements of House Bill 2021, but Staff specifically noted an extension does alleviate PGE from meeting requirements in Order No. 21-215. Specifically, Staff stated:

> *2022 Avoided Cost Filing Update*
> Order No. 21-215 called for PGE to perform additional analyses related to Qualifying Facility (QF) forecasts and solar generation profiles. The Company's next IRP would have presumably contained this data and would have impacted PGE's May 1 avoided cost value update. The extension envisioned here should not delay the conducting and sharing of the analyses called for UM 1728 in the next avoided cost filing, UM 2011, and UM 2038.[13]

The QF Trade Associations support Staff's recommendation. As Staff notes, the sensitivity analyses would impact PGE's next avoided cost update in May 2022. Thus,

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13 Staff Report at 5 (Nov. 10, 2021) (internal citations omitted).

PGE should be required to complete the sensitivity analyses as required in Order No. 21-215.

III. CONCLUSION

For the above stated reasons, the Commission should grant PGE's request for extension of time to file its next IRP only if PGE is required to complete the sensitivity analyses by March 16, 2022 as required by the settlement agreement in UM 1728 approved by Commission Order No. 21-215.

Dated this 12th day of November 2021.

Respectfully submitted,

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