

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1751

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON,

Implementing Energy Storage Program
Guidelines pursuant to House Bill 2193.

NORTHWEST HYDROELECTRIC
ASSOCIATION
COMMENTS

The Northwest Hydropower Association (NWhA) appreciates the opportunity to provide comments on UM 1751 (*Implementing Energy Storage Program Guidelines pursuant to House Bill 2193*). NWhA is very supportive of and encouraged by the Oregon Public Utilities Commission's (OPUC) proceeding and exploration of energy storage as a vehicle to overcoming the regulatory, operational, and market challenges of broader adoption of renewable energy to achieve our region's clean energy goals efficiently and cost-effectively. Taking into account the broader regional electric system beyond each utility's specific need, NWhA is especially focused on language enacted in HB 2193 that waives the capacity cap of this relatively small legislative mandate when one or more electric utilities participate in procuring a storage system of statewide significance.

Combining cost-effective technologically, proven environmentally sound, utility-scale energy storage integrated with renewables holds great promise to enable the regional grid to transition the electric system to a low greenhouse gas future. Specifically, 21st century hydropower and proven "closed-loop" pumped storage hydropower (PSH) can unlock the greater value of existing and future renewables and best manage the

massive operational challenges created by Oregon and California's 50% Renewable Portfolio Standard and beyond.

Our region has several very attractive, viable "closed-loop" sites strategically located within the western bulk transmission system (i.e. AC-DC Interties) that are suitable for pumped storage, including Swan Lake in southern Oregon and the JD Pool PSH Project in southern Washington. PSH has many benefits including providing critical grid reliability and balancing services and carbon-free flexible capacity in the quantities necessitated by legally mandated renewable portfolio resources as well as providing staggering economic development within the region.

While the OPUC staff has indicated some desire for this process to be technologically neutral, we are concerned that at this juncture the discussion has become essentially a battery discussion. NWAHA urges the OPUC to take steps to assure that this important storage discussion does not prematurely focus on battery technology.

As a follow-up to the OPUC workshop held on January 27, 2016, NWAHA and some of its member companies would be happy to participate in a future workshop to share expertise and experience about PSH generally, as well as about specific proposed projects in the region, providing information about this mature technology and its value to the grid.

Lastly, NWAHA's Annual Conference is being held on February 22-24, 2017, including a Hydropower Pumped Storage Workshop on Friday, February 24, from 1:00pm to 4:45pm

in Portland. The workshop includes sessions about policy, markets and specific PSH project updates that may be of interest relative to informing these proceedings. This conference and the workshop were extremely well attended last year with former Commissioner Susan Ackerman participating in the first session. More information about this workshop can be found at: <http://www.nwhydro.org/events-committees/annual-conference/>.

Again, NWHHA appreciates the opportunity to provide comments. Please don't hesitate to contact me at (503) 545-9420 or jan@nwhydro.org with any questions, scheduling or the NWHHA Pumped Storage Workshop on February 24.

/s/Jan Lee, Executive Director, NWHHA

/s/ Scott Flake, Chair, Pumped Storage Committee, NWHHA