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*via electronic filing*

Public Utility Commission of Oregon
Attention: Filing Center
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**Joint Comments on Draft Guidelines for Distribution System Planning,**
**Docket No. UM 2005**

NW Energy Coalition (NWEC) joins with Community Energy Project, Oregon Solar Energy Industries Association (OSEIA), Vote Solar, Renewable Northwest, Oregon Coast Energy Alliance Network (OCEAN), Oregon Citizens' Utility Board (CUB), Spark Northwest, Multnomah County Office of Sustainability and Wallowa Resources in presenting the following comments on the draft Distribution System Planning Guidelines in Docket No. UM 2005.

We start with appreciation for the thorough and clear presentation of the draft DSP Guidelines. This has been enabled by the Commission's guidance, the Staff's effective organizing of the preparation phase of this docket over the last 18 months, the assistance of the facilitation team, input from a wide range of subject matter experts, and active participation by utilities and stakeholders.

We believe the draft Guidelines provide a solid foundation and roadmap for the important effort ahead to implement distribution system planning in Oregon, building on existing processes and adding many new important features.

We are particularly supportive of a defined process for community engagement. As this evolves, we hope communities and customers will shape the direction of distribution system planning, which in turn will support customer choice, protection and benefits as a result of expanding the capability, reliability and resilience of each utility's distribution system.

Our comments below follow the order of the draft DSP Guidelines, starting with the Staff's introductory discussion and then proceeding to the proposed Guidelines in Appendix 1. These comments are not intended to discuss every noteworthy element but instead focus on specific aspects where further refinement should be considered. We list here only the sections for which we have comments.

**Introduction**

**3. Goals and Principles**

Two additional points should be considered for inclusion in the Long-Term Goals:

- Carefully consider the balance between the capabilities, cost, reliability and resilience of the distribution system.

- Align distribution system planning with state and local energy, climate, resilience and equity goals.

**4. Planning Interactions and Streamlining**

We generally support the direction of this section and appreciate the thorough review and detail of how existing, related reporting processes should align with distribution system planning.

For item (a), Smart Grid Reports, we support the suspension of the current reporting cycle and incorporating relevant aspects including distribution system plan strategies, goals or objectives (item C.1 in Order No. 12-158) and upcoming investment options (item C.2).

In addition, we recommend including at least summaries of smart grid opportunities and constraints relevant for the distribution system under item C.3 of Order 12-158, since this will help inform the grid needs, hosting capacity analysis and other aspects of the distribution system plans.

**5. Data Privacy and Security**

The brevity of this section reflects the limited attention to this broad topic during the workshop phase. That is not unexpected since discussion of data access, quality and risk depends on the data sources and processes that have now been identified in the draft Guidelines.

An important aspect of distribution system planning is that it is not only an internal utility planning exercise. Various types of data may be acquired from outside sources, and some outputs will be used by stakeholders in ways that immediately leverage the value of distribution system planning. Data to support rooftop and community solar and EV charging infrastructure are just two of many use cases likely to be supported.

To expand the understanding of these issues and facilitate more effective data acquisition, management and access, we recommend that the Commission sponsor one or more workshops over the next few months to discuss these issues in more detail and provide input to the initial distribution system plans. This will also provide an opportunity to consider lessons learned in other state DSP processes.

**6. Cost Recovery**

We appreciate and support the point on Stakeholder Costs, noting the burden on time and resources and the need for support of community-based organization participation in the distribution system planning process.

**7. Regulatory Development**

This section briefly addresses the potential to realign existing utility business models and regulatory approaches to facilitate more effective DSP related investment and distributed energy resource development.

We agree and consider this to be a high priority. Utility incentives are currently focused on capital expenditures which flow into the rate base and are eligible for a return on investment. However, DSP and DER development may involve utility expenditures that do not qualify for the rate base. Second, the existing incentive framework may constrain the ability to find a better balance of effort among utilities, customers and third party providers, all of whom have an important role to play in DSP outcomes and DER investment.

The draft Guidelines discussion does not elaborate on the next steps that could be taken. One option may be to develop a separate track in this docket, but it may be more appropriate that a separate but linked docket be set up for this purpose given that cost allocation, rate design and cost recovery are likely to be involved.

**8. Vision for Distribution Planning Evolution**

This section provides an overview of a proposed three-stage developmental approach for distribution system planning. We agree this makes sense in building out a complex and multi-faceted new planning framework.

In general, we do not have substantial concerns about the expected outcomes of Stage 1, encompassing the initial Distribution System Plans, but we have substantial concerns about the extended duration envisioned in the draft Guidelines.

The proposed timeline envisions the DSP process taking nearly a decade to reach full maturity. As shown in Table 1 of Section 7, Stage 1 would include the first distribution system planning cycle through 2021, Stage 2 would span the next three cycles (2023, 2025 and 2027), and Stage 3 would be reached in the 5$^{th}$ DSP cycle in 2029.

To illustrate our concern about the lengthy timeframe, here are a few elements from the proposed Guidelines in Appendix 1 that would not be achieved until 2029:

- Use software systems to proactively monitor and support operation of the distribution system and DERs. *(3.1 Baseline Data and System Assessment)*

- Update and publish hosting capacity maps and datasets sufficiently accurate and frequent to streamline interconnection. *(3.3 Hosting Capacity Analysis)*

- Utilities collaborate with community-based organizations and environmental justice communities so that community needs inform DSP project identification and implementation. "Community needs" could address energy burden, customer choice and resiliency. *(3.4 Community Engagement Plan)*

- Co-develop solutions with communities and community-based organizations. *(3.6 Solution Identification)*

While some elements may take longer to reach maturity than others, waiting until 2029 will not achieve the goals of the DSP process in a timely manner, for a number of reasons. For example, several local governments have 100% community-wide renewable energy goals by 2030 and 2035, and some of those local goals include community-based renewable energy components. A 2029 timeline could delay or complicate investments in community-based renewables and lead to missed opportunities in terms of designing and determining the location of those projects in ways that lead to greater community and system benefits.

Considering all these factors, we have a two-part suggestion to accommodate revisions to the timeline. First, the Commission could remove the references to specific years for Stages 2 and 3 in the initial adopted Guidelines. Second, the Commission could direct that the Guidelines be reopened for refinement following the acceptance of the first DSPs.

In this fashion, the DSP process can proceed with the framework intact and providing clear guidance for Stage 1 without delay, while also allowing for refinement and, where feasible, acceleration of the development pathway for Stages 2 and 3 based on the learning from the initial stage.

## Appendix 1: Distribution System Planning Guidelines

### 1. Process and Timing

(a) We support the 2-year DSP cycle. Some thought should be given to the interaction with integrated resource planning, which does not exactly follow a 2-year cycle, and the degree to which the DSP and IRP processes should inform each other.

(b) While we support having at least two preparatory workshops before the filing of the initial DSPs, further refinement is needed, as we discuss below. It is particularly important to include effective community engagement in the runup to the filing of the initial DSPs.

**2. Commission Action**

While we agree that DSPs have a somewhat different purpose and scope than IRPs, it is important for the Commission to define and explain DSP acceptance more clearly so as to highlight the similarities and differences with regard to IRP acknowledgement.

**3. Scope**

**3.1. Baseline Data and System Assessment**

Through our participation in community solar, COVID-19 impacts and recovery, general capacity, distribution system planning, and energy burden-related dockets, we are consistently impressed by the need for new, transparent, and granular data sharing. Indeed, urgent access to granular data and usable visualization seems to be the primary ask in many of these spaces, if the energy sector is going to adapt to recent and historical crises, their disproportionate impacts, and the changing dynamics of the grid.

Utilities already publish regular reliability[1] and disconnection[2] reports. We want to ensure these reports are expanded and timely enough to equitably determine next steps. As utilities publish this data, in order to facilitate co-creation, the data should be usable to communities who don't have the time or resources to regularly engage in utility proceedings.

We are heartened to see the intention for the utilities to "conduct baseline study to increase detailed knowledge of service territory communities" (Figure 4, p. 13). We are unclear how this baseline study will differ from the "equity analysis overlaying customer geographic and socio-economic data relative to system reliability and customer options" (Figure 5, p. 15) within grid needs identification.

Ultimately, as we outlined elsewhere, we advocate for utilities to publish comprehensive, granular data that connects grid need with ratepayer demographics, as soon as possible in the process.

[1] https://edocs.puc.state.or.us/efdocs/HAQ/re171haq141728.pdf.
[2] https://apps.puc.state.or.us/edockets/DocketNoLayout.asp?DocketID=21694.

As we have previously mentioned, a good starting point is the recent analysis by Avista Utilities in accordance with the requirements of the Clean Energy Transformation Act to assess impacts on highly impacted communities and vulnerable populations.[3]

In addition to utility data, Avista incorporated outside sources including the Washington State Health Disparities map, and identified areas of particular vulnerability based on income, health and other measures. The analysis then overlaid customer service data including usage and cost (enabling assessment of energy burden) and standard measures of service quality, including reliability metrics such SAIFI and resilience metrics including SAIDI. The results provided rich detail on the sociodemographic patterns of the service area, and the analysis indicated no substantial variation of service quality within areas of similar density (urban, suburban and rural zones) but, not surprisingly, higher rates of outages in the more dispersed rural areas.

A similar analysis using both utility and high quality public data can provide an important baseline for many aspects of distribution system planning, facilitate community engagement in the DSP process and help provide full access to all customers to the range of benefits available from the distribution system.

### 3.3. Hosting Capacity Analysis

As discussed during the October 21 workshop, we suggest that the distinction between a planning use-case in subsection (b) and an interconnection use-case in section (c) be further clarified.

### 3.4. Community Engagement Plan

With regard to intentionality in addressing equity concerns, we have some cautions about speeding up certain parts of the process. Building trust in communities that have been disenfranchised by energy decision-making takes time, and we are concerned that utilities will not be successful if they approach DSP in a transactional and expedited fashion. As such, we encourage careful consideration in setting time frames, particularly around community engagement.

We appreciate the intentionality toward co-creation, and offer the following suggestions on how the PUC might improve reciprocity with impacted and highly vulnerable communities.

1. We agree with Community Energy Project's concern about the "two workshops" metric, for the following reasons:

[3] Avista Utilities, "Washington Vulnerable Populations & Highly Impacted Communities." 2021 Electric IRP, August 6, 2020, https://www.myavista.com/-/media/myavista/content-documents/about-us/our-company/irp-documents/2021-irp-tac-2-presentations.pdf

- Two workshops seems like an arbitrary number.
- We fear these workshops would treat the public as one equal entity, which means the workshop contents may not be understandable or even accessible to impacted and vulnerable communities.

We suggest the following to resolve these concerns:

- In addition to mandatory workshops, require utilities to create multimodal engagement and feedback mechanisms, such as surveys and data collection at events.
- Contract with trusted messengers to create education and outreach materials.
- Incorporate affinity groups into larger public gatherings.
- Secure key community leader participation before scheduling workshop times. Participation should be reciprocal; see suggestions below about creativity in compensation.

2. We urge creativity in compensation so as to fulfill needs that may not be explicitly connected to utility-envisioned projects.

- In the same way that utilities contract with entities to advertise and conduct focus groups, utilities should contract with target community leadership, and be required to equitably implement distribution system related projects.
- Utilities can fund community-based and social service entities to incorporate certain efforts into existing programs. For example, PGE contracted with Community Energy Project to include information in their low-income weatherization workshop about the energy shifting programs in their local smart grid test beds. Through this partnership, CEP broadened the reach of the weatherization workshop and PGE increased the knowledge of participation in their energy shifting programs.

3. We ask that the PUC more clearly offer guidelines to ensure that community engagement plans outline how utilities will engage target communities well before final decisions about project locations or specifics are made.

**3.6. Solution Identification**

During the October 21 workshop, we requested more clarification on the main components of Solution Identification. To recap, some of the points in the draft Guidelines seemed to relate to specific projects such as substation upgrades, while others involves the general development of non-wires solutions and at least two non-wires pilots.

It would be helpful to get a clearer sense of types of activities or projects are envisioned in this section, and how to consistently include important supporting elements such as community engagement and data availability.

In conclusion, we appreciate the positive and substantial direction provided in the draft Distribution System Planning Guidelines, and we thank you for your consideration of our comments.

/s/

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