

September 6, 2022
Via Electronic Filing

Oregon Public Utility Commission
201 High St. SE, Suite 100
Salem, OR 97301-3398

Re: Comments on Staff's Roadmap Acknowledgment and Community Lens Proposal
OPUC Docket UM 2225

The NW Energy Coalition, Metro Climate Action Team, Climate Solutions, the Green Energy Institute at Lewis & Clark Law School, the Oregon Just Transition Alliance, Multnomah County Office of Sustainability, Renewable Northwest, and the Coalition of Communities of Color (the "Energy Advocates") appreciate the opportunity to provide the below comments on Staff's Roadmap Acknowledgment and Community Lens Proposal under docket UM 2225, investigating Clean Energy Plans ("CEP") to implement HB 2021 (2021). Energy Advocates address below some suggestions regarding Staff's guidance. The structure of our comments follows the order of topics in Staff's proposal.

I. Roadmap Acknowledgement Straw Proposal

A. CEP Planning and Acknowledgement Horizons

We are pleased to see this draft guidance from Staff as we believe that this is the most workable timeline for Clean Energy Plans. We would, however, appreciate more discussion and clarification regarding how this acknowledgment horizon would take into account long lead-time resources.

B. Annual Goal for Actions

We generally support Staff's draft guidance but offer three recommendations for additional clarity:

First, energy efficiency and demand-side resources, which have long been prioritized in Oregon policy, have an increasingly important role to play in a decarbonizing system. We recommend that these resources be highlighted to ensure that they are not overlooked in utilities' annual goals. As we have stated in previous comments, energy efficiency and demand response should be prioritized utility actions prior to the consideration and acquisition of new generation resources. Once these actions have been exhausted, utilities should then consider the acquisition of new distributed energy resources to be placed in historically underinvested communities, such as environmental justice communities. This respective order of resources should be reflected in utility CEPs and annual goals. We would also appreciate more clarity on why staff does not think there is sufficient information to recommend building electrification as a resource in CEPs. We believe that building decarbonization is an important action that should

be considered and prioritized as it serves many purposes, including: reducing carbon emissions, increasing energy efficiency, and addressing inequities of our energy system, such as reducing energy burden.

Second, as to staff's recommendation that the costs of distribution system upgrades be included in the evaluation of resource actions, we recommend additional nuance to ensure that distributed energy resources are evaluated on equal footing to other resources, beyond the current language's focus on costs. To the extent that interconnection or other costs must be incurred to bring a potential clean energy resource on, these costs should be discussed as well.

Third and relatedly, we recommend the language be updated to note that any resource costs accounted for should not include costs the utility would already be undertaking absent the resource action, and that costs avoided by a resource action should be deducted from a resource's cost (similar to the "transmission & distribution deferral" value included in the resource value of solar). We want to ensure that the costs associated with HB 2021 compliance do not include costs that would have been incurred absent HB 2021, given concerns that HB 2021's cost cap could be invoked to slow progress.

C. Annual Metrics Measuring the Impacts of Actions

We appreciate Staff's guidance regarding assessing community benefits and impacts and how utilities must engage with their communities to accurately assess benefits and impacts of utility actions. We, however, believe that attribution of impacts of all utility actions are important and should be discussed and reported publicly, most importantly, with communities that are directly impacted by specific utility actions. Simply relying on total portfolio impacts will not address the inequities that specific communities suffer from and may instead perpetuate continued harm on these communities.

It would also be prudent for utilities to report on all inequities that they find through their Community Based Renewable Energy (CBRE) and Resiliency acquisition studies, as well as on how they plan to address such inequities through implementation of actions to comply with HB 2021. Reporting on benefits and impacts of specific actions will also allow for meaningful use of community benefit metrics that Staff has guided utilities to develop in partnership with the communities they serve. Since much of the analysis required of the CEP overlaps with IRP analysis requirements, having an additional and very important analysis regarding community benefits and impacts of utility actions should not overburden utilities and instead may be utilized across several planning dockets.

We are, however, mindful of the fact that not every action may have an attributable community benefit or impact and may rely on other actions for the materialization of community benefits. This chain of causation can be easily explained in the community benefits and impacts reporting documents that both the straw proposal and the legislation requires utilities to produce. The fact that not every action will have an attributable community benefit or impact should not be a complete roadblock to assessing and reporting on utility actions to meet HB 2021 mandates.

Outside of the above discussion of community benefits and impacts, we support Staff's overall framework for metrics. Data on emissions and rate impacts will be very helpful in assessing utility CEPs and weighing the CEPs' consistency with the policies established by HB 2021, particularly at the level of granularity Staff recommends.

D. Greenhouse Gas Reporting, Verification, and Compliance in Planning

We agree with Staff that additional clarity is needed regarding emission implications of utilities' plans, the implications of market purchases and sales on the expected emissions, and how the utility's plans may impact greenhouse gas emissions in the broader West. Advocates are especially keen to understand how PacifiCorp will comply with HB 2021 emissions reporting and verification as a result of its multi-state presence.

Regarding expected emissions associated with market sales outside Oregon, and how each utility's plan may impact greenhouse gas emissions in the broader West, we do not recommend an additional modeling process looking at the western interconnect system. Such an added layer of complex energy system modeling would be of questionable benefit because the western interconnect is a large system with many variables that will not be driven by decisions in Oregon. We believe that the CEP should contain a section that describes how the utilities are managing their existing thermal power plants, as well as the additional categories of data identified by Staff. For the sake of transparency and to have an indication of leakage, the emissions from these plants should be an ongoing requirement of the CEP.

In sum, while we do not see the need for *additional* WECC-wide analysis, we do support maximal transparency into the emissions information available from the system modeling that utilities will already conduct in their Integrated Resource Plan and CEP processes.

E. Continual Progress and IRP Cost/Risk Framework

We greatly appreciate Staff's openness regarding valuing community benefits in utility portfolios in a way that considers costs, risks, and benefits more expansively than the traditional least cost/risk framework. We believe that this is a great step in the right direction that we should continue to discuss, expand upon, and formally adopt.

Additionally, we strongly support Staff's proposal to include "the pace of greenhouse gas emission reductions" as a core element of the Commission's IRP Guidelines alongside cost, risk, and community impacts and benefits. HB 2021 made it clear that the Commission has a mandate to drive rapid decarbonization of Oregon's electric utilities, and that its mission has expanded from economic regulation to emissions regulation as well. We further recommend that this change be made on a permanent, not just interim, basis.

F. Considerations in CEP Acknowledgement

We greatly appreciate Staff's draft guidance on requiring utilities to explain input that they received from their community engagement and consideration of said input in the CEP. We would like to add that, in addition to completing this reporting and survey requirement, Staff should recommend that the PUC strongly consider community input as a principal factor in determining what is in the public interest. We expect that knowing the weight that the PUC will assign to community input would lead utilities to more thoughtfully consider that input and, therefore, capture the underlying intent of engaging with communities.

We have three additional suggestions for changes to Staff's proposed acknowledgement considerations. First, under "consistency with the IRP," we recommend that the language clarify that the CEP should not be assumed to be a pass-through for analysis conducted in other instruments such as a Distribution System Plan. It is quite possible that a non-CEP plan may raise concerns when used as the basis for elements of the CEP, in which case the CEP should offer a venue for addressing those concerns. We are open-minded on the question of how best to reflect this principle in guidance.

Second, we have recommended in earlier comments "that the Commission include as an element of acknowledgment the consideration of whether utility actions actually reduce GHG emissions and not restrict the assessment of GHG emissions to the statute's core accounting framework."¹ We continue to recommend that Staff include an additional emissions-oriented acknowledgement requirement beyond "achiev[ing] the emissions reductions targets set forth in HB 2021, with DEQ verification" to account for the possibility that utility decisions will have emissions impacts beyond those associated with serving the utilities' Oregon customers.

Third, the advocates recommend that the utility include a detailed discussion regarding why its preferred CEP portfolio furthers applicable clean energy targets in a cost-effective manner that brings the most benefit to environmental justice and low-income communities. Utility resource acquisition under the CEP should seek to do three things: bring benefits to underinvested communities, minimize cost and risk to customers, and comply with applicable requirements.

G. Non-acknowledgment, Partial Acknowledgment, and Conditional Acknowledgement of the CEP, and Interdependences with IRP Acknowledgement.

Energy Advocates support Staff's proposal.

H. Annual Update

Energy Advocates agree with Staff's proposal.

¹ Energy Advocates' Comments of June 10, 2022, at 10-11.

II. Community Lens Straw Proposal

The Energy Advocates strongly support Staff's Community Lens Straw Proposal (CLSP) and we encourage the Commission to adopt it with slight modifications. We appreciate seeing a CLSP that reflects thoughtful consideration of the feedback from community voices reflected in the May 4, 2022 comments and subsequent feedback opportunities.

A. Community Lens Acquisition Targets

We support Staff's draft requirement that the CEP includes potential studies identifying opportunities for resiliency projects and for other community-based resources. We also support the draft requirement that those studies be developed in coordination with community representatives. Staff's draft recommendation on community lens acquisition targets is strong and we encourage Staff to retain it in its final proposal and the PUC to adopt it. We especially appreciate that Staff's straw proposal calls for these studies to inform actions and acquisition targets within the action plan window rather than simply being informational tools.

An important improvement to Staff's straw proposal would be to expand on its call for utility coordination with "representatives of communities that are served with the utility" by explicitly stating that such coordination should not be limited to engaging with governmental actors, but that it should include engaging with environmental justice communities² in the area to the maximum extent possible. We also encourage Staff to require that utilities not only measure CBIs in their resiliency and CBRE potential studies but that they also use the CBIs to identify resiliency and CBRE actions and acquisition targets for the CEP.

Importantly, we encourage Staff to include in its final recommendation for guidelines for the first CEP that the utilities consider and incorporate, to the maximum extent possible, the work underway as part of the process to produce the Oregon Department of Energy's Small-Scale Renewable Energy Projects Study.³ The studies included in the CEPs may incorporate and consider the recommendations, opportunities, and identified benefits included in ODOE's Study, to be released this Fall.

B. Opportunities Considered Within Community Lens Potential Studies

We support Staff's proposal on the opportunities to be considered within community lens potential studies. We suggest that Staff's final proposal also considers opportunities that may not be traditional utility system investments but that have tangible community and grid impacts

² Under HB 2021, Section 1(5), environmental justice communities "includes communities of color, communities experiencing lower incomes, tribal communities, rural communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities."

³ <https://www.oregon.gov/energy/Data-and-Reports/Pages/SSREP-Study.aspx>

(i.e. financial support for tree planting and other measures shown to mitigate heat in communities and that therefore would reduce cooling load in a particular location during heat and severe heat events).

C. Community Benefit Indicators

We strongly support Staff's draft recommendation that the utilities develop CBIs and that those are used both in the Community Lens potential study and in scoring utility IRP portfolios. We continue to urge utilities to consider proposed CBIs and associated metrics (attached to the Staff's straw proposal) in developing their list of CBIs and metrics. CBIs and metrics should be developed with utmost attention and intent and not done in a check-the-box manner.

We encourage utilities that are planning to finalize and file their IRP in the near future to have a quick-paced, yet equitable and robust, process to identify interim CBIs in time for them to impact portfolio selection in their IRP. Our proposed CBIs may be a good place to start CBI-development work with the UCBIAGs, since these were proposed by multiple community partners. We are happy to collaborate with utilities in this process.

D. Off-setting Fossil Fuels with CBREs

We support Staff's draft proposal as it seeks to ensure that the IRP considers CBRE acquisition targets, including their impact on fossil-fueled resources in the utility's generation mix as well as their system-level contributions. We recommend that the utilities' evaluation of the benefits of potential CBRE or resiliency opportunities include an evaluation of environmental resilience or environmental benefits, like a reduction of reliance on resources that may have otherwise created environmental impacts (i.e. fish impacts).

E. Resiliency Specific Guidance

The Energy Advocates strongly support Staff's draft Resiliency Specific Guidance and offer a few suggestions to strengthen it. Our comments in this section mirrors the structure of Staff's draft recommendation.

1. Minimum requirements for resiliency-related analysis in first CEP

We support Staff's draft Resilience-specific guidance because it would take steps to ensure that the utilities' implementation of HB 2021 results in concrete actions to increase resiliency, including community resiliency,⁴ and produces CBRE opportunities. For that reason, we

⁴ We suggest a definition of community resiliency that includes the definition in HB 2021, Section 29(2) "the ability of a specific community to maintain the availability of energy needed to support the provision of energy-dependent critical public services to the community following nonroutine disruptions of severe impact or duration to the state's broader energy systems." We also suggest looking at a broader definition of community resiliency that considers "a community's ability to use available resources to respond to, withstand, and recover from adverse situations. Strengthening community resilience not only helps people, businesses, and cities maintain essential functions and bounce back from adversity but also

enthusiastically support the draft requirement that utilities must identify in CEP the resiliency-related actions that it will prioritize in the action plan window. We recommend that Staff's final recommendation regarding "coordination with representatives of communities that are served by the utility" be expanded and explicitly calls for community coordination that includes coordination with environmental justice communities in the area.

2. Minimum requirements for evaluating resiliency risk in the first CEP

We support Staff's explicit call for utilities to account for community resiliency, and are especially appreciative of Staff's call for the utilities to consider the zone of tolerance for communities/populations within the service area as well as its requirement that utilities consider community demographics in its analysis. We also support the requirement that utilities look at risks identified in other processes, as well as to any existing gaps in system and community resiliency. We recommend that Staff's final recommendation 1) asks that utilities' potential study considers how resource/project ownership structures can contribute to increased community resilience (i.e. through community ownership of a project), 2) asks that utilities include analysis on how expected climate-change related impacts shift any trends that they observe based on the reliability performance measures that they considered, potentially magnifying system impacts.

3. Tribal Resiliency and Community Benefit

Importantly, we would like to highlight that the community coordination language may not fit the tribal context since tribes exercise their treaty rights across a broad territory. As we have highlighted throughout this process, it is important for Staff and for the utilities to engage with tribes and assess their needs and priorities in HB 2021 implementation, including as it relates to resilience and CBREs. Tribes have continuously voiced their opinion on creating resilient ecosystems, which have been heavily impacted by our current energy system. Utilities should speak directly with tribal communities within their territories to understand their unique resiliency and community benefit asks. As we have repeatedly mentioned, this consultation should not occur in a check-the-box manner.

4. Minimum expectations in evaluating opportunities and developing actions to achieve CBRE acquisition targets

The Energy Advocates appreciate Staff's expectation that utilities focus on actions that facilitate emissions reductions when evaluating resiliency opportunities and when developing actions to achieve CBRE acquisition targets. We also support Staff's request for costs and timing for delivery and implementation where actions are proposed. We suggest that Staff's final recommendation specifies that the utilities' consideration of "opportunities to work with local communities on local resiliency planning" includes working with environmental justice communities in the area. We appreciate Staff's draft requirement that actions identified in the CEP clearly differentiate from those related to other processes like the DSP or WPP. However, we encourage Staff to recognize in its final recommendation that some actions may relate to multiple processes (i.e. a hypothetical action that may have been identified but not risen to the

move towards enhanced wellbeing."

<https://betterbuildingssolutioncenter.energy.gov/resilience/communities>

top in the context of the WPP or DSP but that looks more desirable when layering the analysis undertaken for the CEP).

III. Conclusion

We commend Staff for its efforts to consider stakeholder feedback in this guidelines development process thoroughly and for drafting recommendations that are robust in many areas, including environmental justice community concerns. We look forward to additional opportunities to support Staff's efforts to implement this landmark decarbonization and energy justice legislation robustly.

Respectfully submitted this 6th day of September 2022,

/s/

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