

May 10, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Filing Center

Re: Docket UM 2225 – PacifiCorp’s Response to OPUC Staff’s Framework Straw Proposal

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) respectfully submits these comments in response to the Public Utility Commission of Oregon’s (Commission) Planning Framework Straw Proposal issued on April 4, 2022.

In its Straw Proposal, the Commission outlined two paths to resolve how Clean Energy Plans (CEP) under HB 2021 should align with existing Integrated Resource Plans (IRP) and Distribution System Plans (DSP).¹ One path combines the documents, for example where a CEP is included as a chapter or appendix in a specific utility IRP. The other path contemplates two separate substantive planning documents (a CEP and IRP), with the CEP eventually replacing the IRP as Oregon’s primary resource planning vehicle for investor-owned utilities. Both paths attempt to “leverage existing practices where possible and to provide clear paths for developing a CEP concurrently with an IRP,” and the Commission has asked for feedback on which path would be more preferred.²

PacifiCorp believes there are several advantages to the Commission’s first path. The Company does not believe there are material obstacles to effectively implement greenhouse gas targets (including demonstrating annual progress), and model system reliability, environmental and health impacts of greenhouse gas reductions, community impacts and benefits, opportunities for community-based renewables, etc., within existing IRP software and processes. At this initial stage, the Commission should strive to tweak the current IRP processes, not build new ones.

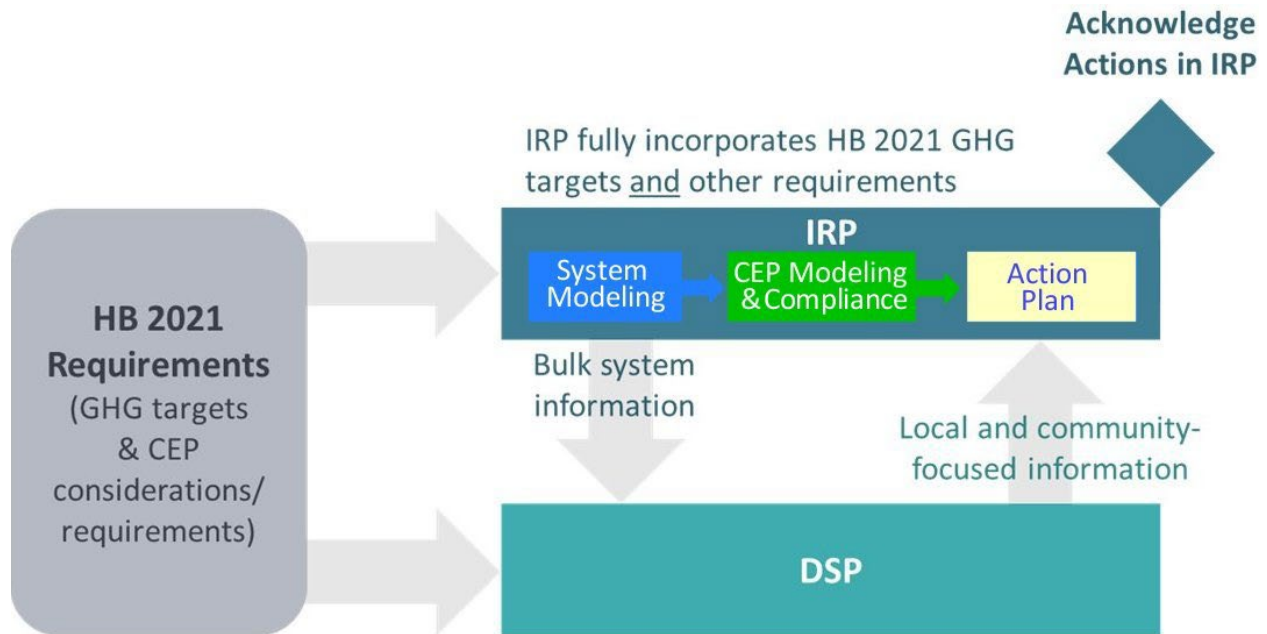
For example, the Company can continue to perform its IRP modeling consistent with its role as a long-term planning tool, that relies on proxy resources, broadly defined locations, and significant transmission option representation across the Company’s six-state service territory. The CEP analysis will further refine these IRP modeling outcomes. This allows PacifiCorp to develop a preferred portfolio that represents both the benefits of system-level optimization, as well as meet the ambitious goals of HB 2021.

Specifically, the Company intends to use IRP risk analysis modeling as its starting point, and then refine this modeling with CEP determinants that compare the risks and benefits of community resources with limited incremental transmission requirements, then compare to proxy

¹ Attachment A – Planning Framework Straw Proposal, at 1.

² Straw Proposal, at 11.

traditional developments that optimize utility scale cost savings and interconnected transmission system reliability. The IRP would include a CEP chapter or appendix to identify where and when annual HB 2021 goals and requirements have been addressed in the broader IRP document, and to provide additional considerations that may have not been addressed in detail outside of the CEP chapter or appendix. The CEP section will describe and quantify annual goals and how they are met. This approach would resemble the following:



Note, this diagram differs slightly from the Straw Proposal diagram found on page 12 of the Commission’s Work Plan. Instead of the IRP and DSP informing each other, the Commission acknowledging an IRP, with an action plan subsequently informing a CEP that provides additional information but does not revise the action plan, the Company envisions a cumulative IRP that incorporates system and CEP modeling and compliance, eventually informed by DSP activities, that results in an action plan and Commission acknowledged IRP. This ensures that the CEP will be incorporated entirely in the IRP, and that the process is dedicated to the modeling assumptions outcomes of system-level modeling, with another section in the IRP dedicated to refining modeling outcomes to meet all CEP requirements. The action plan should apply to both aspects, and stem from the Company’s preferred portfolio that complies with HB 2021.

Along those lines, while DSP-HB 2021 discussions are evolving, the Company supports amending IRP procedures to permit the Company to request, and the Commission to acknowledge, specific community-based renewables or grid/community resiliency projects.³ The

³ Note, the Company assumes that the “community-based renewables” as defined in HB 2021 § 1(2), and discussed in the Commission’s “Role of DSP” section does not include small-scale renewable energy projects discussed in HB

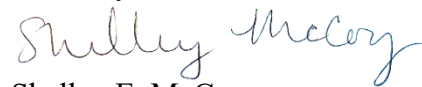
Company agrees that this could support “internal consistency” between the Company’s IRP and DSP processes.⁴

Finally, the Commission’s proposed first path would align with Washington’s procedures to implement the Clean Energy Transformation Act (CETA), that similarly permit PacifiCorp to use IRP modeling informed by requirements from state law.⁵ This consistency between sister-jurisdictions is important not just for PacifiCorp’s resource procurement strategies that model least cost portfolios across a multi-state service territory (by limiting new filings), but also for this Commission’s purposes in evaluating PacifiCorp’s HB 2021 compliance (cross-state comparisons between PacifiCorp’s HB 2021 and CETA strategies are more relevant if they are based on the same IRP modeling data and assumptions).

While HB 2021 requires significant transformation of the electrical grid, at its core these specific effects and outcomes are measurable, and can be reasonably layered within PacifiCorp’s existing processes. To the extent there are Commission or stakeholder concerns with how the Company has implemented HB 2021 in its IRP, the Company is confident that it can make reasonable, incremental revisions to ensure that the process works.

PacifiCorp appreciates the opportunity to respond and is available to discuss any issues in greater detail.

Sincerely,



Shelley E. McCoy
Director, Regulation
PacifiCorp

2021 § 37. If instead the Commission defines “community-based renewables” to include both HB 2021 § 1(2) and § 37 projects, the Company believes that additional stakeholder input may be necessary on the issue. While there may be overlap between the two types of projects, § 37 projects are likely more expensive than what would otherwise result from utility modeling, and might not be suitable for Commission acknowledgement for IRP/CEP purposes.

⁴ *Id.* at 13.

⁵ *In re PacifiCorp’s Clean Energy Draft Implementation Plan (CEIP)*, Dkt. UE 210829, Corrected Redline (Apr. 27, 2022) (available at:

<https://apiproxy.utc.wa.gov/cases/GetDocument?docID=181&year=2021&docketNumber=210829>).