





Portland General Electric Company
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May 10, 2022

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: UM 2225 Investigation into Clean Energy Plans; Comments on Staff's Planning Framework Straw Proposal from Portland General Electric Company

Dear Filing Center:

Enclosed for filing in the above captioned docket is Portland General Electric Company's (PGE or Company) comments on Public Utility Commission of Oregon (OPUC) Staff's Planning Framework Straw Proposal for the Clean Energy Plan (CEP), which Staff provided as Appendix A of the Work Plan Announcement posted to UM 2225 on April 4, 2022.

In our comments, we note our support of Staff's framework and highlight the importance of continued focus on streamlined and efficient processes. Please direct questions or comments regarding this filing to Sam Newman at (503) 464-2112.

We look forward to further engagement with Staff and stakeholders on these topics.

Sincerely,

/s/ Nidhi Thakar

Nidhi Thakar
Senior Director, Resource and Regulatory Strategy

I. Introduction

On April 4, 2022, OPUC Staff posted to Docket UM 2225, Investigation into Clean Energy Plans, a Work Plan Announcement proposing workstreams, a schedule of activities, a straw proposal for a clean energy plan (CEP) framework, and a questionnaire. On April 20, 2022, Staff hosted a public workshop to present its CEP Planning Framework Draft Proposal. Staff requested written comments by May 10, 2022.

PGE appreciates Staff's work to anticipate how the CEP will fit into the existing planning landscape while achieving its many objectives. We appreciate that Staff's proposed framework incorporates significant focus on community engagement, alignment of data and analysis from existing planning frameworks such as the integrated resource plan (IRP) and distribution system plan (DSP), and a nimble approach that supports the significant resource acquisition that will need to occur before 2030. Accordingly, we strongly support Staff's efforts and believe that an approach that streamlines the planning process, avoids duplication, and recognizes the need for potential process evolution in the future aligns well with our understanding of how the overall planning framework should advance to account for House Bill (HB) 2021.

II. The Commission should prioritize streamlined processes to enable near-term progress toward HB 2021's carbon-reduction targets

PGE appreciates Staff's initial consideration of opportunities to streamline the entire IRP and request for proposals (RFP) cycle within the scoping of the UM 2225 docket.¹ While we recognize that some modifications to IRP guidelines, competitive bidding rules, or related processes may be beyond the scope of the CEP Planning Framework, development of CEP guidance in a manner that avoids duplicating or delaying existing processes is critical. The requirement for 80% reduction in greenhouse gas (GHG) emissions is less than eight years away and will take significant additions of new clean resources, buildout of the distribution system and community renewables, a focus on resiliency, and region-wide collaboration to ensure sufficient transmission infrastructure. Furthermore, utilities across the West have publicized plans to procure large amounts of clean energy on a similar timeline to Oregon's requirements, adding additional urgency to nimble planning and procurement practices.

As CEP guidance is developed, PGE hopes Staff and stakeholders will continue to consider opportunities to streamline the entire resource planning process. We offer the following suggestions for initial consideration; we would be happy to provide additional details on these specific proposals or share other ideas for streamlining across planning and procurement:

- Identify opportunities to remove non-essential analysis from IRP requirements. This allows IRP processes to focus on the long-term difference between demand and supply in order to inform the comprehensive IRP/CEP action plan and provide the basis for competitive procurement actions.

¹ In Staff's UM 2225 Investigation Launch Announcement filed on January 11, 2022, "Topic 2" of the associated online survey sought input on "near-term improvements that the Commission could make to streamline and increase the efficiency of IRP/CEP and associated procurement activities." In PGE's survey response, we emphasized the importance of this topic and noted that we were in the process of developing more detailed recommendations.

- Consider increased use of “track two” RFP approval and streamlining the independent evaluator (IE) selection process, when possible.
- Seek to reduce the number of sequential steps associated with resource procurements subject to the competitive bidding rules. Once resource needs are established in an acknowledged IRP and an RFP structure has been approved, utilities should be encouraged to run multiple expedited procurements to find best-value resources for customers.

For CEP guidance, PGE recommends retaining the significant flexibility that Staff has included in their initial framework: as Oregon begins to plan toward the 2030 and 2040 GHG targets, the process should be inclusive and community-focused while anticipating the ability to iterate so that we can move quickly.

III. PGE appreciates Staff’s development of two pathways and agrees that resource actions should not be analyzed or acknowledged twice

We believe Staff’s Path 1 meets many of the principles of our preferred approach to this first CEP. In this approach, the IRP will incorporate HB 2021 GHG targets, will provide a comprehensive assessment of associated reliability and cost impacts, and will consider resiliency and community-based renewable resources in its analysis and Action Plan.

Staff’s depiction of Path 1 appears to show that IRP outputs flow to the CEP following IRP acknowledgment. However, given HB 2021 language addressing Commission acknowledgment of utility CEPs, we encourage Staff to clarify that CEP consideration and acknowledgment would occur on the same timeline as IRP consideration. When issued, the Commission’s combined acknowledgment should consider the established factors applicable to IRPs as well as HB 2021’s new provisions.

While our 2023 CEP approach may follow Path 1, we agree with Staff on the importance of flexibility as we embark on Oregon’s first CEP filings. There will likely be changes in the way that we plan for the 2030 and 2040 targets collaboratively with stakeholders that are difficult to anticipate in 2022 or 2023. We recommend retaining as much flexibility as possible, knowing that the next two decades will require accelerated planning and a focus on community engagement. With this in mind, we recommend that these guidelines retain both pathways while also remaining open to other variations that could streamline the entire planning process to avoid duplication.

We also appreciate Staff’s explicit recognition that the first CEP cycle may not be entirely linear in the discussion of “Additional timing considerations for first CEP.” Given timing pressure, the iterative nature of DSP and CEP guidance development, and the complexities associated with the analytical methods for the “Community Lens” topics, the possibility of modified actions being filed later than the IRP should not be precluded.

IV. Full consistency between DSP, IRP and CEP should not lead to duplicative analysis

Staff's description of Path 1 specifies the goal that the "IRP Action Plan is consistent with HB 2021" in its alignment with GHG targets as well as additional considerations. We support this approach and seek to achieve consistency between the DSP, IRP and CEP. However, it would be unwieldy to combine all planning activities into a single process flow or revisit completed analysis in the pursuit of full consistency, especially in the first CEP.

DSP analytical outputs should continue to be used as an IRP input for topics including increasingly rigorous distributed energy resource (DER) forecasts and loads, cost-effectiveness methodologies, resiliency investment priorities, and community-based renewables analysis. Where available, these analyses should be based on the most recent DSP rather than redeveloped specifically for HB 2021 requirements.

Similarly, we should leverage required IRP analyses and results to the extent possible to address HB 2021 requirements; in other words, the CEP should not evolve into a "second IRP" or seek to greatly expand system modeling that duplicates the role of the IRP and DSP. Overall, PGE supports Staff's comments characterizing the CEP in Path 1 as an opportunity to "present information differently" but "not really meeting a different need or proposing actions for acknowledgement separately from the IRP."

V. PGE is committed to a human-centered CEP process

Instead of re-creating the IRP, the CEP offers an opportunity to present a holistic and accessible roadmap of the broad array of resource and non-resource actions required to transform our energy system in line with the targets set forth in HB 2021. As PGE indicated in its Conceptual Framework for Community Engagement, robust community engagement is core to our existing DSP efforts, and we intend to make the CEP planning process human-centered and accountable to community needs as well.² By applying an Oregon-focused lens to the existing utility planning environment, the CEP can help bring new voices into the planning process. A process that presents actions through the framework of how we will meet the decarbonization goals equitably, resiliently, safely, securely and reliably will likely be more inclusive and accessible at a time when community engagement is key to our progress.

We thank Staff for their work in developing the CEP Planning Framework straw proposal and consideration of our comments. We will be happy to provide additional information on any of the points raised above and look forward to the next steps of this process.

/s/ Nidhi Thakar

Senior Director, Resource and Regulatory Strategy

² PGE filed its Conceptual Framework for Engagement in UM 2225 on April 21, 2022: <https://edocs.puc.state.or.us/efdocs/HAH/um2225shah175022.pdf>. We are currently seeking community and stakeholder input on our approach, which we will incorporate into an updated engagement plan.