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September 6, 2022

Via Electronic Filing

Public Utility Commission of Oregon
Attn: Filing Center
201 High St. SE, Suite 100
Salem OR 97301

Re: In the Matter of PUBLIC UTILITY COMMISSION OF OREGON,
House Bill 2021 Investigation into Clean Energy Plans.
Docket No. UM 2225

Dear Filing Center:

Please find enclosed the Alliance of Western Energy Consumers' Comments in the above-referenced docket.

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Sincerely,

/s/ Jesse O. Gorsuch
Jesse O. Gorsuch

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2225

In the Matter of)	
)	COMMENTS OF THE ALLIANCE OF
PUBLIC UTILITY COMMISSION OF)	WESTERN ENERGY CONSUMERS
OREGON,)	
)	
House Bill 2021 Investigation into Clean Energy)	
<u>Plans.</u>)	

I. INTRODUCTION

The Alliance of Western Energy Consumers (“AWEC”) submits the following comments in the above-referenced docket regarding Oregon Public Utility Commission (“Commission”) Staff’s Planning Framework Straw Proposal (“Straw Proposal”), filed August 9, 2022 regarding “key near-term policy questions about expectations for Commission acknowledgement of the roadmap of decarbonization actions presented in the Clean Energy Plan [(“CEP”)].”¹ Staff’s Straw Proposal sets forth eight topics informed by stakeholder responses to Staff’s May 20, 2022 questionnaire and workshop discussions. AWEC responds to Topic #5, Continual Progress and Integrated Resource Plan (“IRP”) cost/risk framework.

II. COMMENTS

AWEC agrees with Staff that “the IRP framework is generally well suited for the evaluation of continual progress and that what constitutes continual progress in a manner that is

¹ Docket No. UM 2225, Staff’s Straw Proposal, at 3 (Aug. 9, 2022).

in the public interest may change from planning cycle to planning cycle depending on changing circumstances, including resource cost and availability, market conditions, economic conditions, and other factors.”² However, Staff further asserts that “the focus of the IRP portfolio analysis on cost and risk may limit consideration of other factors that are important to HB 2021 implementation, including the pace of greenhouse gas emissions reductions and community impacts and benefits.”³

Staff therefore proposes to amend IRP Guideline 1.c contained in Order No. 07-002 on an interim basis to include the following in a utility’s best cost/risk portfolio:

- Greenhouse gas emissions should be reported in a manner consistent with the methodology approved by the Oregon Department of Environmental Quality.
- Community impacts and benefits should be reported using metrics developed in coordination with representatives of the communities impacted by the plan, including environmental justice communities.
- The utility should explain in its plan how its resource choices appropriately balance cost, risk, the pace of greenhouse gas emissions reductions, and community impacts and benefits.⁴

While AWEC agrees these additional criteria should be included in an IRP evaluation, there is a risk that these additional considerations prove overly subjective and compromise the Commission’s and stakeholders’ ability to reasonably evaluate the least cost/least risk portfolio, the pace of greenhouse gas emissions reductions, and community

² *Id.* at 11.

³ *Id.*

⁴ *Id.*

impacts and benefits. AWEC therefore recommends that the Commission apply objective criteria where possible in evaluating a utility's IRP in order to ensure that there is an evidentiary basis for a CEP. Objective criteria may include applying a cost to greenhouse gas emissions, such as a social cost of carbon.⁵

If Staff's proposal regarding IRP Guidance 1.c is adopted, AWEC agrees with Staff that it is necessary for Community Benefits Indicators ("CBI") metric tracking to be established and ready to implement "by the time that the first IRP/CEP Updates are filed."⁶ AWEC acknowledges the difficulties in developing CBIs and nonetheless supports Staff's assertion that utilities use "quantifiable and measurable CBIs in development of the first CEP/IRP."⁷ AWEC continues to believe that it is necessary for utilities to provide clear justification for decisions made in a CEP and that costs associated with a CEP should be consistent with least-cost, lest-risk planning. AWEC therefore looks forward to working with utilities, Staff, and stakeholders to determine how best to ensure that the first, and subsequent IRP/CEP Update filings are based on objective criteria as applicable and supported by evidence.

III. CONCLUSION

AWEC appreciates the opportunity to provide comments on Staff's Straw Proposal and looks forward to working with the Commission and stakeholders to this docket.

⁵ See Environmental Protection Agency, EPA Fact Sheet Social Cost of Carbon, at 1 (Dec. 2016).

⁶ Docket No. UM 2225, Staff's Straw Proposal, at 23 (Aug. 9, 2022).

⁷ *Id.* at 24.

Dated this 6th day of September, 2022.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Corinne O. Milinovich

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