

April 11, 2023

VIA ELECTRONIC FILING

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

Re: Docket UM 2273—PacifiCorp Comments Regarding Staff’s Scoping Memo

PacifiCorp d/b/a Pacific Power (PacifiCorp) respectfully submits these comments in response to the Public Utility Commission of Oregon’s (OPUC or Commission) Scoping Memo for Investigating HB 2021 Implementation Issues.

PacifiCorp continues to appreciate and support the Commission’s diligent efforts with the implementation of HB 2021, and believes this focus should remain on resolving issues related to the Clean Energy Plans (CEPs), rather than investigating issues that may not be ripe for consideration.

I. The Commission should consider suspending this docket and focus on individual CEPs.

PacifiCorp agrees that there are several HB 2021 issues that could benefit from additional clarity, but any consideration would be premature until the Commission, utilities, and stakeholders get more experience and insight into issues surrounding compliance with the state’s energy policy goals.

Community-based renewable energy (CBRE) is a good example. Questions remain regarding how CBREs should be procured, as PacifiCorp anticipates CBREs will be prohibitively expensive compared to utility-scale resources without other subsidies or cost-sharing among communities that may not receive direct CBRE benefits. Because of this reality, should the Commission consider a cost-cap for CBRE procurement or a cap on the nameplate capacity of CBREs under ORS § 469A.415(4)(d)? Utility CBRE studies will provide greater insight that will lead to better CBRE policies.

The issue of demonstrating “continual progress” and “taking actions as soon as practicable” under ORS § 469A.415(6) must also be balanced against increasing utility loads or from increased emissions when renewables do not generate as considered by ORS § 469A.435. This question, however, would be easier to analyze after the first CEPs have been reviewed.

We also do not yet know the full extent of technological and financial realities that could result from the last-mile problem—how utilities will get to 100 percent non-emitting energy portfolios. Nor do we understand how market initiatives may alleviate reliability issues or be found contrary to state energy policy because of the risk of emitting resource participation. Because of these

issues, among others, determining how the cost cap under ORS § 469A.455 is calculated, and whether the Commission should adopt guidelines regarding performance incentives for early HB 2021 compliance Under ORS § 469A.455, could also become relevant.

Now is not the time to address these issues when there is more opinion than facts on which to further develop policy. None are currently pressing, and if the Commission decided to address them, some would necessarily require the Commission reach a decision based on hypothetical evidence. Further, it would be difficult to separate issues in this proceeding from the ongoing CEP evaluations.

Given HB 2021's decadal requirements, the Commission and stakeholders have ample opportunities to let these issues, among others, continue to percolate until they are ripe for resolution.

Instead, there is more value in focusing Commission and stakeholder resources on addressing fact-specific issues in respective utility IRPs/CEPs. HB 2021 and docket UM 2225 have set the stage for initial utility CEPs. Now that PGE's CEP is filed (and PacifiCorp's will soon follow), Oregon can begin the difficult work determining the appropriate scale, scope, and pace of actual utility plans to decarbonize the state's retail electric load.

Now is the time to review our work. We are excited to share these findings and begin these important discussions.

After this initial CEP cycle the Commission can return its attention to any incremental issues for subsequent CEPs: What lessons from these initial CEPs, as well as the guidelines from UM 2225, should be codified as rules of general applicability? How can IRP, CEP, and DSP planning processes be better streamlined? How can procurement and facility siting processes be improved? These additional proceedings will be better informed after this initial CEP cycle, and will provide the Commission with clarity on which issues are important and need further investigation, and those that do not.

To that end, after the currently scheduled Commissioner scoping workshop and opportunity for final written comments, PacifiCorp recommends the Commission conclude that while there are remaining questions regarding the implementation of HB 2021, they do not need to be addressed at this time, and the proceeding can be suspended or closed to allow for consideration and development of the first utility CEPs.

II. Conclusion

PacifiCorp continues to appreciate the Commission and Staff's diligent efforts with HB 2021, and respectfully requests the Commission gain an increased understanding of the issues, both known and yet to be known, before investigating additional implementation requirements under HB 2021.

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Sincerely,

A handwritten signature in black ink, appearing to read 'Matthew McVee', written in a cursive style.

Matthew McVee

Vice President, Regulatory Process and Operations

PacifiCorp