



August 12, 2025

Via Electronic Filing

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

**RE: Docket No. UM 2273
NewSun Energy's Opening Comments on the Draft Order**

NewSun Energy LLC ("NewSun") offers these Opening Comments regarding Public Utility Commission of Oregon ("Commission")'s Draft Order in docket UM 2273. NewSun appreciates the Commission's receptivity to explore innovative ways to conduct its decision making and the opportunity to provide comment on a draft order before the Commission finalizes that decision, in addition to the opportunity for a workshop at this stage.

NewSun looks forward to hearing the utilities' responses to the Commission's request for additional detail about how a counterfactual portfolio would be developed. As an initial matter and as noted in briefing, NewSun is interested in how such a process would work in practice and has significant questions regarding how that portfolio would be developed and what assumptions would feed into it.

The counterfactual is proposed to be developed in the IRP. NewSun's experience with the IRP is that it can be difficult for stakeholders to obtain information about inputs and assumptions and there is little opportunity to get the utility to make changes or for the Commission to direct that certain changes be made. Therefore, NewSun sees the biggest pitfall with the draft orders' proposal is that such inputs and assumptions would get baked into the counterfactual at the IRP stage with little opportunity to rebut or modify that based on input from stakeholders in either the IRP or any future cost cap proceeding.

As developed in briefing, the counterfactual should exclude costs incurred in the ordinary course absent HB 2021, Sections 1-15. One of the biggest risks to this analysis in light of current market conditions is using potentially stale forecasts of costs are baked in at an early date but that do not reflect the currently available market options. For example, ac Chair Tawney noted in her recent letter to Governor Kotek, "there are areas the Commission likely cannot materially reduce or avoid increased costs."¹ The letter cites to recent actions by the federal government, utility investments in their grid, and the scale of required transmission investments. As relates to the counterfactual, recent tariffs and changes to the tax code, for example, are likely to increase costs for both the HB 2021 compliant portfolio and under the counterfactual. The counterfactual for purposes of a cost cap analysis should account for those increases in costs that would have

¹ Oregon Public Utility Commission of Oregon, Chair Tawney letter to Governor Kotek (Aug. 1, 2025).

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occurred regardless of HB 2021 emissions targets and should not be based on the market options available a few years ago.

NewSun looks forward to hearing more about the utility counterfactual proposals and exploring these topics at the upcoming workshop and subsequent round of comments. Thank you for the opportunity to submit these comments.

Thank you,

s/ Marie Barlow

Marie Barlow

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