

October 11, 2022



UM 2225 Clean Energy Plan Investigation

Staff's proposed Clean Energy Plan (CEP) procedural rule language

Staff's straw proposal for CEP procedural rules is attached to this letter. Currently, Oregon Administrative Rules ([OAR Chapter 860, Division 27 include](#)) policies related to Integrated Resource Plans (IRP). The attached straw proposal includes similar policies for the submission and review of the CEP. These draft rules also reflect policy proposals informed by discussion at the [October 4, 2022](#) and [October 6, 2022](#) Special Public Meetings on Roadmap Acknowledgement and Community Lens Analysis recommendations including:

- Commission acknowledgement of a CEP;
- Inclusion of CEP information in IRP Updates; and
- Considerations for cost, risk and uncertainty, greenhouse gas emissions reductions and community benefits and impacts in the development of CEP annual goals.

Please note that these rules will apply generally and not just to the first CEP.

Staff has included comments in the straw proposal to help explain its thinking and highlight areas where specific input is meaningful.

Thank you for your continued feedback and engagement in this process. The current schedule for the draft CEP procedural rules is as follows:

Procedural Issues	
Staff draft administrative rules for CEP filing and review process	October 11, 2022
Written comments on Staff draft rules	November 3, 2022
Staff Public Meeting memo	Target December 1, 2022
Public Meeting to open formal rulemaking	December 13, 2022

Please send questions to Caroline Moore at caroline.f.moore@puc.oregon.gov .

****NOT FOR PUBLICATION****

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Chapter 860

Division 27 BUDGETS, FINANCE, ACCOUNTING AND ANNUAL REPORTS

860-027-0400

Integrated Resource Plan and Clean Energy Plan Filing, Review, and Update

(1) Scope and Applicability: This rule applies to investor-owned energy utilities. Upon application by an entity subject to this rule and for good cause shown, the Commission may relieve it of any obligation under this rule.

(2) **(a)** As used in this rule, “Integrated Resource Plan” or “IRP” means the energy utility’s written plan satisfying the requirements of Commission Order Nos. 07-002, 07-047 and 08-339, detailing its determination of future long-term resource needs, its analysis of the expected costs and associated risks of the alternatives to meet those needs, and its action plan to select the best portfolio of resources to meet those needs.

(b) As used in this rule, “Clean Energy Plan” or “CEP” means the plan that an electric company subject to ORS 469A.415 is required to develop concurrently with the development of the IRP.

(3) An energy utility must file an IRP within two years of its previous IRP acknowledgment order or as otherwise directed by the Commission. If the energy utility does not intend to take any significant resource action for at least two years after its next IRP is due, the energy utility may request an extension of its filing date from the Commission.

(4) An electric company that is subject to ORS 469A.415 must file a CEP with ~~to~~ the Commission concurrently with an IRP filing required under Section (3) of this rule and in the same docket. If filing the CEP concurrently with the IRP would create an undue burden, the electric company may file a written request to the Commission to extend the filing date for the CEP. If the Commission grants an extension for filing the CEP, it may establish an abbreviated schedule for a utility presentation and comments under Sections (6) and (7) below.

(5) The CEP must be written in language that is as clear and simple as possible, so that it may be understood by non-expert members of the public. The CEP must contain the information required by ORS 469A.415 and present annual goals for actions that balance expected costs and associated risks and uncertainties for the utility and its customers, the pace of greenhouse gas emissions reductions, and community impacts and benefits.

Commented [MC1]: For discussion purposes, Staff proposes to include the Commission’s near-term guidance to file the IRP and CEP together unless there is an undue burden as a rule. Staff believes that developing OPUC procedural timelines could be overly complicated if the IRP and CEP are not filed concurrently, not to mention the difficulty reviewing IRP analysis and action items separately from the CEP. Staff looks forward to understanding positions on formalizing this requirement.

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(46) The energy utility must present the results of its filed **IRP, and, when applicable, its CEP**, to the Commission at a public meeting prior to the deadline for written public comment.

Commented [MC2]: Staff uses “when applicable” to cover both utilities that are not required to file a CEP and circumstances when the utility gets permission to file CEP on a separate timeline.

(57) Commission staff and parties must file their **IRP, and when applicable, their CEP**, comments and recommendations **generally** within six months of IRP filing.

Commented [MC3]: Staff is interested in understanding whether joint or separate presentations of the IRP and CEP are more accessible?

(68) The Commission must consider comments and recommendations on an energy utility’s **IRP, and, when applicable, CEP**, at a public meeting before issuing an order on acknowledgment. **Except as provided in section (9),** the Commission may provide the energy utility an opportunity to revise the IRP before issuing an acknowledgment order.

(9) For an electric company that is subject to ORS 469A.415, the Commission will issue a single order memorializing its decision on acknowledgment for the IRP and CEP, unless an alternative schedule for CEP review is set by the Commission. The Commission may provide the electric company an opportunity to revise the IRP or CEP or both before issuing an acknowledgment order. The Commission may, at its discretion, take one of the following actions for the CEP portion of the acknowledgement order:

Commented [MC4]: Staff’s intent is that the order will cover IRP and CEP acknowledgement. Because the CEP is the primary regulatory tool for HB 2021 implementation prior to the compliance target years, Staff believes that utilities should be required to remedy major issues with the utility CEP at the Commission’s direction. Staff believes that the Commission can determine whether the entire IRP or certain actions can be acknowledged as to not slow down progress on well supported actions required to meet HB 2021.

(a) Acknowledge a CEP as filed;

(b) Acknowledge a CEP with conditions; or

(c) Not acknowledge the CEP and require that the utility revise and resubmit all or certain elements of the CEP within 60 days of the acknowledgement order.

Commented [MC5]: This language is inspired by comments from PacifiCorp. Staff is interested in understanding whether there is value to having this 9B0 option in addition to (a) and (c)

(710) The Commission may provide direction to an energy utility regarding any additional analyses or actions that the energy utility should undertake in its next **IRP, and, when applicable, its CEP**.

Commented [MC6]: Staff is interested in understanding whether a timeline is useful and whether 60 days is reasonable. As an alternative, this may read “on an accelerated schedule”

(811) Each energy utility must submit an annual update on its most recently acknowledged IRP. The update is due on or before the acknowledgment order anniversary date. The energy utility must summarize the annual update at a Commission public meeting. The energy utility may request acknowledgment of changes, identified in its update, to the IRP action plan. The annual update is an informational filing that:

Commented [MC7]: These changes are being proposed in advance of a final order on the Roadmap Acknowledgement recommendations adopted at the Oct. 6th special public meeting and could change based on the language of the Commission decision.

(a) Describes what actions the energy utility has taken to implement the action plan to select best portfolio of resources contained in its acknowledged IRP;

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(b) Provides an assessment of what has changed since the acknowledgment order that affects the action plan to select best portfolio of resources, including changes in such factors as load, expiration of resource contracts, supply-side and demand-side resource acquisitions, resource costs, and transmission availability; and

(c) Justifies any deviations from the action plan contained in its acknowledged IRP or, where applicable, CEP.

(d) Includes an update on the annual actions implementing the annual goals in the CEP filed with the most recently acknowledged IRP. The update will include an assessment of what has changed since the acknowledgment order that affects the utility's progress toward the clean energy targets in ORS 469A.410, reporting of measured impacts across the metrics that were presented in the most recently acknowledged CEP, and the electric company's two most recent annual emissions reports filed with the Oregon Department of Environmental Quality under ORS 469A.420(4)(a).

~~(912)~~ As soon as an energy utility anticipates a significant deviation from its acknowledged IRP or, where applicable, its CEP, it must file an update with the Commission, unless the energy utility is within six months of filing its next IRP. This update must meet the requirements set forth in section (8) of this rule.

~~(1013)~~ If the energy utility requests Commission acknowledgement of its proposed changes to the action plan contained in its acknowledged IRP or, where applicable, its CEP:

(a) The energy utility must file its proposed changes with the Commission and present the results of its proposed changes to the Commission at a public meeting prior to the deadline for written public comment;

(b) Commission staff and parties must file any comments and recommendations with the Commission and present such comments and recommendations to the Commission at a public meeting within six months of the energy utility's filing of its request for acknowledgement of proposed changes;

(c) The Commission may provide direction to an energy utility regarding any additional analyses or actions that the utility should undertake in its next IRP , or where applicable, its CEP.

Commented [MC8]: As an alternative to filing the most recent DEQ emissions report, there could be a separate rule that requires each DEQ filing to be submitted to the OPUC when it's submitted to DEQ.

Commented [MC9]: Staff is interested in understanding if this reporting would be meaningful separately from the IRP.

Commented [MC10]: Staff is interested in understanding if this reporting would be meaningful separately from the IRP.

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Statutory/Other Authority: ORS 183, 756.040 & 757.262

Statutes/Other Implemented: ORS 756.040 & 757.262

History:

PUC 1-2009, f. & cert. ef. 2-5-09