Portland General Electric
121 SW Salmon Street • Portland, OR 97204
portlandgeneral.com

October 1, 2025

Via Electronic Filing

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

Re: UM 2274 – Request for Re-Acknowledgement of the Final Shortlist of Bidders in Portland General Electric Company's 2023 All-Source Request for Proposal

Dear Filing Center:

Enclosed for filing in the above-referenced docket is Portland General Electric Company's (PGE) Request for Acknowledgment of the Updated Final Shortlist of Bidders in the 2023 All-Source Request for Proposals (2023 RFP).

A Highly Confidential version protected by Modified Protective Order 24-083 of this filing is submitted via password protected zip file.

Please contact Andrew Baker (Andrew.C.Baker@pgn.com) with any questions regarding details of this filing.

Sincerely,

/s/ Jason Salmi Klotz

Senior Manager, Regulatory Strategy and Planning

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY, 2023 All-Source Request for Proposals, Request for Partial Waiver of Competitive Bidding Rules.	DOCKET UM 2274

PGE REQUEST FOR ACKNOWLEDGEMENT OF UPDATED 2023 ALL-SOURCE RFP FINAL SHORTLIST

DATED OCTOBER 1, 2025

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I. INTRODUCTION

In accordance with Oregon's competitive bidding rules, codified as Oregon Administrative Rule (OAR) Division 89 (Competitive Bidding Rules, CBRs, or Rules), Portland General Electric Company (PGE or Company) requests that the Public Utility Commission of Oregon (OPUC or Commission) acknowledge PGE's 2023 All-Source Request for Proposals (2023 RFP) Updated Final Shortlist (FSL) of bidders.

PGE's 2023 RFP was conducted fairly and transparently – with oversight, rigorous evaluation, and strict adherence to the rules – and was run in accordance with the Competitive Bidding Rules and Commission Order No. 24-011 approving the 2023 RFP (as corrected by Order Nos. 24-024 and 24-085). Upon filing a request for acknowledgement of the FSL on September 17, 2024, PGE began negotiations with bidders. PGE's FSL was demonstrably reasonable based on information available at the time and determined in a manner consistent with the Rules. In Order 24-425, issued on November 25, 2024, the Commission acknowledged PGE's 2023 All-Source RFP FSL, subject to specified conditions.

Since the commencement of negotiations and Commission acknowledgement of the 2023 RFP FSL, material and significant changes to federal policy relating to taxes and tariffs have fundamentally altered financial conditions, creating new uncertainties relating to project costs and feasibility. As PGE continued negotiations, it became increasingly clear that these federal policies not only affected individual bids but also reshaped the renewable development industry. PGE remains committed to keeping customer prices as low as possible by acquiring the least-cost, least-risk resources to meet customers' needs, advance Oregon's goals, and ensure reliability as identified from the 2023 Integrated Resource Plan (IRP) and Clean Energy Plan (CEP). Timely acquisition of new resources is especially critical given rapidly growing system loads, a competitive procurement environment, escalating project development risks including expiring tax credits, and Oregon's policy goals.

Furthermore, our procurement strategy is designed to maximize the window of federal tax incentives, which have historically lowered the cost of clean energy projects by 20–40%, and secure the most cost-effective resources, and prioritize reliable delivery of energy to customers.

Considering the shifts in the federal landscape, PGE allowed a price refresh for the 2023 RFP to thoroughly capture changes to project costs and feasibility to ensure sound procurement decisions. PGE determined that the most fair and transparent path forward was to allow all conforming bids to refresh their prices, ensuring every bid reflected the new economic realities. On July 24, 2025, PGE sent a letter to Commissioners informing them of our intention to engage in a price refresh, and PGE alerted all eligible projects of the price refresh on July 28, 2025. PGE subsequently received price updates and recalculated all price scores through a process overseen by the 2023 RFP Independent Evaluator.

This price refresh commenced as part of, and complementary to, PGE's broader suite of procurement activities designed to secure the best outcomes for customers. In parallel, PGE is seeking projects through 1) a bilateral all-call for power purchase agreements (PPAs), 2) the community-based renewable energy (CBRE) procurement, and 3) the ongoing 2025 RFP process. PGE is also continuously working in the bilateral procurement space to identify and pursue compelling opportunities for customers that may not fit within a formal solicitation process.

PGE is committed to procuring a balanced and diverse mix of projects. As described in detail below, the Updated FSL contains the best project opportunities from the 2023 RFP, which includes a project originally bid by a third party and benchmark bids that include a mix of PPA and utility-ownership. Furthermore, benchmark bids are bids in which development and planning work was undertaken in collaboration with third party developers.

PGE requests that the Commission acknowledge the 2023 RFP Updated FSL:

Table 1

Bidder	MWa	ELCC (MW)	Summer ELCC (MW)	Winter ELCC (MW)	Tech
27	47	132	214	49	Solar + Battery
150	23	116	172	60	Solar + Battery
88	-10	190	268	111	Li-Ion Battery

While all conforming projects on the 2023 initial shortlist were eligible for a price refresh, PGE's Updated FSL contains a smaller group of projects than the initially acknowledged FSL—projects that represent the most viable and actionable near-term opportunities and that complement ongoing acquisition efforts. This Updated FSL includes two projects that were originally in PGE's 2023 FSL as well as one additional project that was conforming and on the initial shortlist, but not originally on the FSL.

This Updated FSL includes both ownership and PPA components. As discussed in more detail below, the projects included on the Updated FSL are prudent, actionable, and in the best interest of customers. Once online, these projects will aid PGE's path to reducing emissions in accordance with Oregon House Bill 2021's targets at the lowest price and risk available to customers in the current market that can deliver by no later than December 31, 2027. This Updated FSL strengthens cost certainty, accelerates decarbonization of Oregon's grid, protects affordability, and reduces the risk of an unfilled capacity and energy position in 2028.

II. PGE Procurement Activities

PGE is currently undertaking multiple procurement activities to secure the best projects for customers and optimize the availability of federal tax credits. PGE understands that the Commission will view our procurement activities in their totality and will consider them holistically. PGE supports this approach, while recognizing the inherent differences in procurement timelines and requirements. PGE outlined our multi-pronged procurement plans in the letter sent to the Commissioners in July. In addition to commencing a price refresh of the 2023 RFP, PGE launched an open call for PPAs. PGE also noted the continuation of our 2025 RFP process. Furthermore, PGE conducted a CBRE Request for Offers (RFO), with the final round of bids due on September 5, 2025, and evaluation ongoing.

A. PGE Procurements Demonstrate Diverse Ownership Structures

PGE is committed to pursuing least-cost, least-risk projects for customers, and this commitment has procured a balanced set of ownership structures. Since 2020, over 60% of MW contracted for by PGE have been through PPAs. PGE believes that our future procurements will also result in a diverse ownership mix for our resources. As PGE decarbonizes while ensuring system reliability and prioritizing customer affordability and energy and/or capacity delivery, PGE has actively sought to pursue cost competitive projects, regardless of ownership structure. PGE remains committed to this approach.

B. Multi-Pronged Approach is in Best Interest of Customers

PGE's procurement activities are driven by three fundamental goals: customer affordability, system reliability, and decarbonization. These goals are shared by the Commission and our customers. To achieve these goals, PGE has deliberately cast a wide net, pursuing multiple paths for procurements. This wide net mitigates risks that have emerged in individual procurements and ensures no viable opportunities for customers are missed. These procurement paths are complementary, united by the shared objective of securing least-cost, least-risk projects that provide for the need to deliver energy to customers.

PGE shares with the Commission a strong sense of urgency to seek projects that can still capture federal clean energy tax credits and can adequately mitigate risks in light of a changing landscape. Current federal rules indicate that projects that meet specified start-of-construction requirements before July 4, 2026, have up to four years to reach COD in order to be eligible for tax credits. Yet uncertainties remain regarding start-of-construction definitions, continued progress requirements, foreign entity rules, and possible policy changes. Tariff and permitting changes impose further risk and uncertainty. In this environment, projects with an achievable near-term execution and construction pathway are important to pursue. PGE's procurement strategy balances breadth with discipline, seeking least-cost projects while managing risks around taxes, tariffs, and federal uncertainty.

To further advance the goal of customer affordability, PGE is working to ensure continued access to high-quality, cost-competitive resources in a constrained regional market. Developers today have multiple options for their projects and may be hesitant to engage in a burdensome and time-consuming bidding process. We continue to face challenges from entities who are directly contracting with new resources. This competition has already reduced the pool of projects available to utilities, with several projects contracted away before utilities could act — underscoring the urgency for PGE to move quickly to secure projects for customers. We appreciate that Staff and the Commission recognize this issue, and PGE looks forward to working closely together to move both our 2023 RFP and 2025 RFP as efficiently as possible through the regulatory framework.

PGE additionally launched a bilateral all-call effort. Examining all alternatives to give our customers the best chance of securing the best projects is critical. This was done to ensure that cost-competitive projects are not overlooked and strengthens PGE's ability to deliver affordability for customers.

Customer affordability is also advanced through incremental procurements. Recently, PGE heard from a group of local governments who argued for a phased-in approach to clean energy procurements.[1] These local governments noted that a phased in approach to procurement, considering PGE's significant identified needs, would help prevent customers seeing the costs of all necessary projects in rates all at once. PGE agrees it is in the interest of customers to incrementally procure projects with different CODs while still moving to meet our decarbonization and reliability needs. Ensuring successful procurements through the 2023 RFP, with projects COD by 2027, helps to balance procurement activity. PGE believes utilization of all procurement paths best advances the desire for a balanced and phased in approach, and the 2023 RFP plays a critical role.

C. 2023 RFP Price Refresh

The 2023 RFP remains a critical part of achieving our affordability, reliability and decarbonization goals. Providing a price refresh for our 2023 RFP eligible bidders while continuing our work in our other procurement activities is the best path to secure the least-cost, least-risk projects for customers. Moving forward with the 2023 RFP allows us to quickly negotiate and execute contracts for projects that can meet needs that cannot be achieved otherwise through

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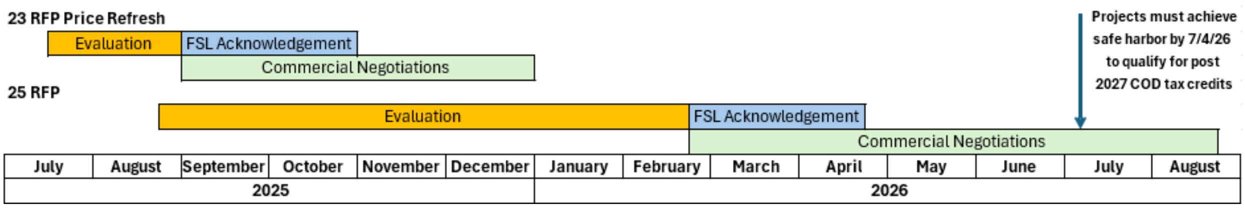
[1] Local Government's Comments on IRP Update (LC 80), August 11, 2025

either the bilateral all-call process for PPAs or the 2025 RFP. The 2023 RFP also captures a narrow set of projects that can move quickly, secure expiring tax benefits, and deliver earlier CODs than those expected from the 2025 RFP.

Figure 1



As shown above, the 2023 RFP is the lowest risk path to ensure projects can mitigate risks of the impacts of tariffs and can secure expiring tax credits. Because price updates occurred only months before potential contract execution, these bids provide stronger cost certainty than initial offers made years in advance.

PGE's resource needs are identified in the 2023 IRP Action Plan, and both the 2023 and 2025 RFPs are critical to help fulfilling these needs. On June 18, 2025, PGE submitted our IRP Update and made no changes to the 2023 Action Plan, highlighting PGE's still significant unfilled energy and capacity needs.

PGE has clear energy and capacity needs in 2028 that cannot be resolved in a later RFP. For this 2023 RFP price refresh, PGE has further refreshed the IRP Update output with the latest load forecast vintage and removed the 2023 RFP proxies. Given these modeling updates, there is a 2028 capacity need of 797 MW (summer) and 465 MW (winter). There is also a 2028 reliability energy need, separate from decarbonization goals, of 71 MWa. Bids in the 2023 RFP refresh also have more cost certainty than future procurements. As discussed in more detail below, the price refresh enabled bidders to reflect new economic factors including tariff exposure and changing qualifications for clean energy tax credits, among other uncertainties. PGE sought confirmation from bidders that they still meet the 2023 RFP minimum bid requirements, including the 2027 COD. PGE also requested tax opinion memorandums. Based on this information, the projects reflected in this updated FSL offer superior cost clarity and early delivery than those anticipated from the 2025 RFP.

Taken together, the recommended projects in this FSL have the least execution risk. While no procurement is certain, this 2023 RFP refresh represents an opportunity to bring new projects online by 12/31/2027 to support critical reliability needs. It is therefore in the best interest of customers that PGE pursue negotiations with these projects. The following table again lists the Updated 2023 FSL.

Table 1

Bidder	MWa	ELCC (MW)	Summer ELCC (MW)	Winter ELCC (MW)	Tech
27	47	132	214	49	Solar + Battery
150	23	116	172	60	Solar + Battery
88	-10	190	268	111	Li-Ion Battery

PGE appreciates that the Independent Evaluator's (IE) report, attached as Appendix A to this document, recognizes PGE's clear resource needs and the value in acting fast to procure these resources. The IE found the inclusion of Bidder 27 "reasonable" based on "its score, viability, and the expiration of tax credits for wind and solar facilities", noting the bid includes both a 190 MW PPA and a 175 MW owned component.

PGE also appreciates the IE's recommendation regarding Bid 74.2, not included in our proposed Updated FSL. PGE agrees with the IE that the bid can support 2028 capacity needs and that it proposes competitive pricing and value to customers. We are adopting this part of the IE's recommendation, however, outside of the 2023 RFP process. The bid structure submitted into the 2023 RFP, which included both PPA and ownership, is not the least cost option available for this project. PGE is interested in exploring this project as a full-toll agreement due to the offered pricing, and the developer has indicated a willingness to structure the project that way. The full-toll structure was not contemplated within the 2023 RFP evaluation, and RFP rules do not allow for a change in the bid's structure once it is submitted. However, as PGE remains committed to finding competitive projects for customers, PGE will further explore this project and may pursue a waiver filing to acquire it.

PGE intends to begin negotiations with bidders on the Updated FSL upon filing of this request, with the goal of executing agreements by the end of 2025. Doing so, on this accelerated timeline, will allow eligible projects to capture expiring tax credits and move PGE closer to its 2028 reliability needs and decarbonization goals.

D. Bilateral All-Call

On July 29, 2025, PGE issued a Bilateral All-Call for Renewable and Hybrid Resource Power Purchase Agreements (Bilateral Call). PGE launched this targeted effort to secure cost-effective, reliable, tax credit-eligible resources that support resource adequacy, strengthen the long-term energy supply portfolio, and advance clean energy goals. PGE sought PPAs that could come online no later than December 31, 2028, and have an identified viable interconnection and delivery path for their resource.

This Bilateral Call was distributed to more than 50 developers, including members of trade organizations such as Northwest & Intermountain Power Producers Coalition (NIPPC) and Renewable Northwest (RNW).

PGE received responses from five developers, resulting in a total of six distinct projects for renewable or hybrid resources. In total, the submissions represent approximately 860 MW of nameplate renewable energy capacity and 400 MW of nameplate energy storage projects.

Two resources were identified as both price-competitive and aligned with portfolio needs. Commercial negotiations will commence immediately with one of these projects, with the goal of submitting a waiver by year-end. For the second project, we will pursue additional due diligence with the developer to address transmission and interconnection constraints before advancing to commercial negotiations. We do not anticipate a waiver request needed for this project due to the size of the project.

E. 2025 RFP

When the Commission originally acknowledged our 2023 RFP FSL, PGE was directed to go back to market with a new RFP that could capture a different pool of actionable bids to meet continuing energy and capacity needs.[2] Through the UM 2371 regulatory docket, this direction manifested as revised interconnection, transmission and COD requirements and bid scoring methods, collectively intended to advance the Commission's goal of a larger shortlist of actionable projects. On July 31, 2025, PGE issued the 2025 RFP to market. Benchmark bids were due August 28, 2025, and third-party bids are due October 8, 2025. The Commission is scheduled to decide on PGE's anticipated request for acknowledgement of the 2025 RFP's final shortlist (FSL) on April 21, 2026.

PGE is working quickly to administer the 2025 RFP, which is the largest and most complex RFP to date. PGE shares the Commission's aspiration that the methodology changes and evolving market conditions contribute to a large pool of project proposals that offer significant value to customers and can deliver the needed reliability. At the same time, PGE urges tempered expectations in the context of 2025 RFP decision-making:

- The 2025 RFP allows projects with COD through 12/31/30. It is highly likely that most projects will be available, at the earliest, the end of 2028 or 2029.
- The eligibility and scoring changes made in the 2025 RFP reduce the comparability of top-line price information between the 2023 and 2025 RFP.

[2] Order 24-425, 1.

- PGE has consistently observed that the changes to eligibility requirements are likely to lead to lower project viability, contributing to increased uncertainty in negotiation outcomes and timelines. A meaningful comparison will depend on scoring and evaluating workstreams that are just getting underway for the 2025 RFP.
- Since the introduction of a broad Best and Final Offer price update opportunity prior to FSL analysis, PGE has consistently observed a trend toward optimistic initial pricing that subsequently increases with FSL and negotiation.

Ultimately, PGE's system and our customers have substantial energy and capacity needs through 2030 and beyond. Both RFPs are needed to meet our reliability needs and are complementary to each other. As both RFPs serve clear needs, and the Commission will decide on acknowledgement of the 2025 RFP FSL in April 2026, PGE believes it is critical to continue to advance with quality projects in the 2023 RFP now and then move forward to negotiations with 2025 RFP projects next year.

III. Need for 2023 RFP Price Refresh

While recognizing the clear need to continue moving forward with the 2025 RFP, PGE also recognized a critical and immediate need to refresh the 2023 RFP prices to ensure the best value for PGE customers in light of material and systematic changes in federal tax and tariff policies. As PGE continued negotiations with the original 2023 RFP FSL, it became increasingly clear that these federal policies not only affected the economics of individual bids but also reshaped the renewable development industry as a whole. This meant there would be material price impacts across the board.

PGE determined that the most fair and transparent path forward was to allow all 2023 RFP conforming bids to refresh their prices, ensuring every bid reflected these new economic realities and stood on equal footing. Any other approach—such as limiting the pool of bids eligible for the refresh—would have risked disadvantaging customers by failing to capture the impacts of federal tax and tariff policy. Similarly, focusing only on Group B projects, would have ignored the fact that the federal policy changes cut across all renewable technologies and suppliers and impacted every conforming bid in the 2023 RFP.

Conforming bidders from the 2023 RFP initial shortlist were given the option to refresh their best and final pricing and to confirm continued conformance to 2023 RFP requirements. The price refresh explicitly enabled bidders to incorporate the most recent and significant economic factors, including tariff exposure and changing qualifications for clean energy tax credits, among other uncertainties. PGE also required confirmation from bidders that projects could still meet the 2023 RFP minimum bid requirements, including the 2027 COD. PGE also requested detailed tax credit opinion memos to support compliance with the evolving federal guidance.

The price refresh was directly responsive to a profound shift in federal policy. By updating bids to reflect these realities, PGE ensured cost transparency for customers and the procurement of the least cost, least risk resources. The refresh parameters, described below, were designed to ensure these new federal factors were rigorously incorporated into updated bid prices, giving the Commission and PGE confidence in the reasonableness of the results.

A. Tax Policy Changes

On July 4, 2025, the Federal government enacted the One Big Beautiful Bill Act, a change in law that fundamentally altered the United States' energy tax credit framework. This legislation accelerated the phase-out of critical clean energy tax credits, creating a time-sensitive window to capture value for customers and a significant risk of higher long-term costs if action is delayed. Absent capture of these credits, the cost of renewable energy resources will rise materially, putting pressure on PGE's ability to meet HB 2021 targets affordably.

PGE's analysis shows that accelerated action is necessary to secure the full benefit of Investment Tax Credits (ITC) and Production Tax Credits (PTC) incentives for customers. Specifically, wind or solar projects that achieve start of construction before July 4, 2026, or that are placed in service before December 31, 2027, will likely qualify for 100% of the ITC or PTC values including domestic content and energy community benefits. Failure to act promptly would result in failing to realize tens of millions of dollars in tax benefits for Oregon customers.

The legislation also introduced Prohibited Foreign Entities (PFE) restrictions that disallow projects with major components manufactured in China, unless those projects achieve start of construction by December 31, 2025. These rules disproportionately affect solar and battery supply chains. Stand-alone energy storage resources whose major equipment is not sourced from PFE countries may continue to benefit from ITCs should they achieve start of construction by December 31, 2033. The stand-alone storage tax credit amounts phase down for projects starting construction in 2034 and 2035.

Furthermore, the July 7, 2025 Executive Order and subsequent US Treasury guidance, further complicated qualification for tax credits by eliminating the bright-line 5% safe harbor test for starting construction of solar projects over 1.5 megawatts and all wind projects, replacing it with a facts-and-circumstances approach of looking at the amount of physical work done by a factory on custom-made equipment for the project or at the project site. Before this guidance, "physical work of a significant nature" merely had to have "begun," while now it will have to have been "performed." The new construction-start rules apply to wind and solar projects on which construction starts on or after September 2, 2025. Developers starting construction of new solar or wind projects during the period September 2, 2025, through July 4, 2026, will have four years to finish after the year construction starts. Thus, a project on which construction starts in early 2026 will have until the end of 2030 to finish construction. Anyone wanting more than four years will have to show continuous actual construction -- rather than mere continuous efforts -- to buy more time. Wind and solar projects on which construction starts after July 4, 2026, must be completed by the end of 2027.

The project economics of renewable resources is significantly impacted by federal tax credit availability. Tax credits reduce project costs by 30 to 50 percent.

All this change introduces additional legal and execution risk for projects. In short: these changes materially impact project economics and directly affect the deliverability of resources to customers.

PGE's 2023 CEP/IRP Update indicates a significant impact on assumed cost of generation and storage resources for customers if federal tax credits are lost. The price refresh was therefore essential to protect customers from these higher costs and to prioritize projects that secure tax credits before they expire.

B. Tariffs

At the same time as these federal tax changes, the administration deployed a series of reciprocal tariffs on energy and infrastructure related imports, creating both cost increases and sourcing disruptions.

PGE has been closely monitoring initiation and implementation of the new trade policies enacted through President Trump's executive orders. These tariffs affect key inputs—such as solar modules, wind turbine components, batteries, and transmission equipment—and have the potential to materially alter project feasibility. Given the magnitude and dynamic nature of the tariffs, PGE required bidders in the price refresh to explicitly account for tariff exposure in their updating pricing and to submit mitigation strategies. This was necessary to avoid surprises during contract execution and to protect PGE customers from hidden cost escalations. Tariffs are now a fundamental driver of renewable project economics, and the refresh ensures that customers are not left bearing unforeseen risks that could have been priced in today.

C. Ensured Execution Viability

Finally, the refresh ensured that projects remain viable for achieving a December 31, 2027, COD—an absolute requirement to address PGE's 2028 energy and capacity needs. The federal policy changes mean that only projects with immediate and credible execution strategies can realistically meet this timeline. As the need to procure projects with this earlier COD remains, as part of this 2023 RFP reprice process PGE sought to ensure bids were prepared to quickly move forward with construction to meet this timeline. As part of the refresh, PGE required bidders to provide detailed execution plans, documentation of supply chain resilience in light of tariffs, and legal/tax analysis confirming qualification for federal incentives.

Projects unable to meet this standard remain welcome to participate in the 2025 RFP; however, they cannot substitute for the near-term capacity required to serve customers reliably while capturing available federal tax benefits. The refresh process, therefore, was indispensable to ensuring that only deliverable, cost-protected, and tax-credit-secured projects remain on PGE's Updated FSL.

IV. Price Refresh Parameters

A. Eligibility for RFP Price Refresh

All conforming bids from the 2023 RFP that were placed on the initial shortlist (ISL) were eligible to participate in the refresh. PGE broadened eligibility from the FSL to the ISL as certain projects did not advance to the FSL purely for cost purposes. As these projects had the potential to be relatively more cost competitive depending on their tariff exposure or opportunity to receive tax credits, providing these projects an opportunity to refresh their prices allowed PGE to evenly reconsider all projects and their costs. PGE alerted all eligible bidders of the price refresh on July 28, 2025, and invited all bidders to submit necessary information. Bidders provided updated pricing information on August 11, 2025.

B. No change to underlying RFP parameters

PGE allowed bidders to only provide updates to the price – with no changes to the underlying project, including COD – and required that the bids must still be in conformance with the Commission-approved 2023 RFP requirements. PGE made no changes to the Commission-approved RFP requirements. PGE asked bidders for the following information and customer price protections:

All bids:

- Attest that the project still conforms with all 2023 RFP requirements, including COD.
- Provide latest documentation, including any completed studies, from transmission and interconnection providers to support the 2023 RFP COD requirement.

PPA bids:

- The PPA price must be reflective of expected tariff exposure. PGE does not take any price risk.

Utility Ownership Commercial Structure bids:

- The BTA price must be reflective of expected tariff exposure. Provide a summary of tariffs considered in the bid price.
- Must provide details on start of construction strategy and issue a tax opinion memo (from a legal or accounting firm) addressed to PGE that supports the position by September 30, 2025.

C. No Update to Portfolio Analysis

PGE previously conducted analysis of each available bid on the initial shortlist to evaluate the differing system cost, risk, and emissions impact associated with the acquisition of varying combinations of bids. PGE did not update the portfolio analysis for the price refresh. There are no changes to portfolio analysis highlighted in PGE's FSL acknowledgement request submitted in September 2024.

D. Updated energy value added as sensitivity

PGE has updated energy and capacity values compared to when bids were initially scored. Per Staff's request, PGE added a sensitivity without updated energy values to compare to the updated energy values used to score the bids. The details of this update and sensitivity are provided in detail below.

E. Updated Cost Scoring

PGE updated cost scoring for all projects. Details of these updates are provided below.

V. Response and Results

A. Projects that were repriced

PGE had a total of 13 projects contemplated for the original FSL. PGE's FSL Group A and B included 4 and 5 projects respectively, and there were 4 projects excluded from either Group A or B due to customer affordability concerns. After the original FSL acknowledgement, 3 projects withdrew from the 2023 RFP process because they were either acquired by other entities (**Begin Highly Confidential** [redacted] **/End Highly Confidential**) or could not make the required COD (**Begin Highly Confide**[redacted] **/End Highly Confidential**).

The remaining 10 projects were eligible for the price refresh. PGE informed these eligible projects about the 2023 RFP price refresh on July 28, 2025. Of the ten, seven participated in the refresh and provided updated pricing information on August 11, 2025. Three projects indicated that they were no longer able to meet the 2023 RFP COD requirement and withdrew from the process.

Table 2

Bid	Participated Yes/No	R/D	Notes
10.1.Alt1	NO	R	Could not meet the 12/31/2027 COD requirement.
23.1Base	NO	D	Could not meet the 12/31/2027 COD requirement.
23.2.Base	NO	D	Could not meet the 12/31/2027 COD requirement.
27.1.Alt3	YES	R	Not on original Final Shortlist
74.1.Base	YES	D	
74.2.Alt1	YES	D	
88.2.Alt2	YES	D	
92.1.Alt4	YES	D	
105.1.Alt1	YES	R	Not on original Final Shortlist
150.1.Alt1	YES	R	

The 2023 RFP price refresh included three renewable projects and four dispatchable projects. PGE re-scored all the bids within PGE's Individual Offer Analysis, which includes bid cost and benefits – energy, capacity and flexibility. The price scoring utilized models and methodologies consistent with the 2023 IRP. Revenue requirement modeling determined the bid cost, while AURORA calculated energy values, Sequoia determined the capacity value, and results from GridPath provided flexibility value assessments.

B. Bid cost analysis update

The participating projects provided updated pricing information, which included capital cost, O&M forecasts, PPA pricing, and tax credit eligibility. PGE's revenue requirement model was updated to include the following changes:

Table 3

	2023 RFP	2023 RFP Price Refresh
Cost of capacity	$144/kw-yr. (2023 IRP)	$237/kw-yr. (2023 IRP Update)
BPA TX rates	BPA-23	BPA-25

As a result of the updates, we saw the following changes to bid cost:

Table 4 **Begin Highly Confidential/**

	Total Cost - RL - $m		
	2023 RFP	2023 RFP Price Refresh	Change
27.1.Alt3	[redacted]		7%
74.1.Base			-19%
74.2.Alt1			-15%
88.2.Alt2			15%
92.1.Alt4			11%
105.1.Alt1			-6%
150.1.Alt1			16%

/End Highly Confidential

C. Energy value update

The bids were re-run through the AURORA model to reflect the 2023 IRP Update modeling methodology. The AURORA methodology change aligns with Staff's recommendation in the UM 1893 docket to create hourly granularity. This change leads to higher energy prices in the near term.

In the following table are the changes in the AURORA model between the 2023 RFP and the 2023 RFP Price Refresh:

Table 5

	2023 RFP	**2023 RFP Price Refresh**
Methodology	Aligns with 2023 IRP: 2025-2045: WECC simulated price forecast	Aligns with 2023 IRP Update: 2025-2029 prices reflect PGE's electric forward price curve (FPC) 2030 prices are an average of PGE's electric FPC and WECC simulated price forecast 2031-2045 prices are WECC simulated price forecast.
Price Forecast	WoodMackenzie 2023.H2	Lydia 4/30/2025 Forward Price Curve WoodMackenzie 2025.H1.DCH

The bids uniformly saw increases to their calculated energy values as follows:

Table 6 **Begin Highly Confidential/**

	Energy - RL - $m		
	2023 RFP	**2023 RFP Price Refresh**	**Change**
27.1.Alt3	[redacted]	[redacted]	67%
74.1.Base	[redacted]	[redacted]	85%
74.2.Alt1	[redacted]	[redacted]	99%
88.2.Alt2	[redacted]	[redacted]	88%
92.1.Alt4	[redacted]	[redacted]	88%
105.1.Alt1	[redacted]	[redacted]	89%
150.1.Alt1	[redacted]	[redacted]	106%

/End Highly Confidential

D. Capacity value update

The bids were re-run through the Sequoia model to reflect the latest modeling vintages to re-affirm the incremental capacity contributions of the projects. The modeling changes are as follows:

Table 7

	2023 RFP	2023 RFP Price Refresh
Load Forecast	June 2023	May 2025
Generation Portfolio	2023 CEP/IRP	Current
Evaluation Year	2026	2030
RFP Proxies	No	No

The resulting capacity contributions are as follows:

Table 8 **Begin Highly Confidential/**

	Capacity Contribution - MW		
	2023 RFP	2023 RFP Price Refresh	Change
27.1.Alt3	[redacted]		-20%
74.1.Base			-17%
74.2.Alt1			-16%
88.2.Alt2			0%
92.1.Alt4			-16%
105.1.Alt1			-33%
150.1.Alt1			-13%

/End Highly Confidential

However, given the increase in the cost of capacity between the 2023 IRP ($144/ kw-yr.) and the 2023 IRP Update ($237/kw-yr.), the bid's capacity values increased:

Table 9 **Begin Highly Confidential/**

	Capacity - RL - $m		
	2023 RFP	2023 RFP Price Refresh	Change
27.1.Alt3	[redacted]		26%
74.1.Base			31%
74.2.Alt1			33%
88.2.Alt2			59%
92.1.Alt4			33%
105.1.Alt1			6%
150.1.Alt1			38%

/End Highly Confidential

B. Overall Results of the Price Refresh

The updated Individual Offer Analysis for the 7 participating bids, including the Staff requested price sensitivity for results without updated energy value, is:

Table 10

Renewable – Solar/BESS **Begin Highly Confidential/**

Bidder	CB Ratio (with updated energy	CB Ratio (without updated energy
27	[redacted]	
105		
150		

Dispatchable - BESS

Bidder	CB Ratio (with updated energy	CB Ratio (without updated energy
74.1	[redacted]	
74.2		
88		
92		

/End Highly Confidenital

C. Summary

The 2023 RFP Price Refresh was a response to federal policy changes, and receiving updated pricing promotes cost transparency to customers with the goal of securing least cost, least risk resources. PGE is therefore requesting Commission acknowledgment of the following Updated 2023 RFP FSL.

Table 11

Bidder	MWa	ELCC (MW)	Summer ELCC (MW)	Winter ELCC (MW)	Tech
27	47	132	214	49	Solar + Battery
150	23	116	172	60	Solar + Battery
88	-10	190	268	111	Li-Ion Battery

Bids 27, 88 and 150 represent the least cost, least risk projects from the 2023 RFP process. The prioritization of these bids:

1) Supports 2028 reliability needs

There are capacity needs of 797 MW Summer and 465 MW Winter, and energy needs of 71 MWa.

2) Supports customer affordability

Incremental procurements provide a stair stepped price increase for customers and avoid large one-time increases.

3) Mitigates outstanding risk to capture renewable tax credits (Bids 27 and 150)

There continues to be outstanding risk from a federal policy perspective in regard to future tariff changes or tax policy. As we saw recently from a tax policy perspective, the White House can issue another Executive Order to push for updated Treasury guidance that could further impact renewable projects capturing tax credits. Acting now can help mitigate some of those concerns.

4) Ensures viability to meet the 12/31/2027 COD

The 3 recommended projects have the least execution risk. This is PGE's only opportunity to bring a resource online by 12/31/2027 in support of reliability needs. It is in the best interest of customers that PGE pursue the least cost, least risk (most viable) projects.

Other projects have some execution/viability risks:

Bid 27: **Begin Highly Confidential/**[redacted]**/End Highly Confidential**

Bid 74.1: **Begin Highly Confidential/**[redacted]**/End Highly Confidential**

Through this filing, PGE seeks acknowledgment of this Updated FSL, to support procurement of resources to meet a significant amount of the remaining capacity and energy needs identified for 2028, while balancing affordability and progress toward decarbonization targets.

VI. Procurement Strategy and Risk

PGE's RFP price scoring and portfolio analysis provide the analytical foundation that facilitates PGE's procurement decisions. As noted in our September 2024 FSL acknowledgement request, PGE assessed all bids against a set of minimum requirements, which were designed in consultation with Staff, the IE, and regulatory stakeholders to reduce risk associated with project delivery. PGE focused on price scoring analysis primarily to identify least-cost, least-risk projects. As previously noted, PGE did not provide any change to our portfolio analysis.

PGE continues to prioritize reliability and customer affordability in our FSL construction. The projects present the most compelling value to customers while addressing both energy and capacity needs. These projects have also shown an ability to mitigate risk relating to the changing federal landscape and have shown execution viability and cost certainty.

PGE seeks to execute agreements quickly following acknowledgement of this FSL.

VII. Compliance with Commission Order and CBR

A. PGE complied with Commission Order

Compliance with the CBRs regarding the underlying 2023 RFP process was discussed in Order 24-425 when the Commission initially acknowledged the 2023 RFP FSL in November 2024.[3] For that reason, PGE is not including a full discussion of compliance with the CBRs in this filing. As part of the 2023 RFP process, PGE conducted a robust and transparent analysis of each available bid on the initial shortlist, carefully evaluating the differing system cost, risk, and emissions of the projects. As highlighted above, the subsequent price refresh was deliberately narrow in scope—focused solely on reflecting federal tax and tariff policy changes—and did not alter PGE's compliance with Commission Order 24-425. PGE has continued to meet requirements by ensuring the IE is fully involved in negotiation activities and overseeing the administration of the price refresh.

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[3] Staff found that "PGE complied with the technical requirements of the CBRs throughout the 2023 RFP process." Staff further noted that Staff and the IE reviewed the conditions that the Commission imposed for RFP approval and determined that PGE had complied with them. Order No. 24-245, Appendix A at 9.

B. PGE complied with Competitive Bidding Rules

PGE has also maintained adherence with the CBRs.

OAR 860-089-0500 directs utilities to request acknowledgement of the final shortlist before negotiations may begin with bidders. As the rules state, "Acknowledgement" is defined as "finding by the Commission that an electric company's final shortlist of bid responses appears reasonable at the time of acknowledgment and was determined in a manner consistent with the rules in this division." PGE's FSL is consistent with PGE's 2023 IRP Action Plan and is reasonable in light of new cost and risk information.

PGE's Updated FSL also remains consistent with the 2023 IRP Action Plan, including the need for timely acquisition of clean resources to maintain system reliability and achieve Oregon's statutory decarbonization targets. In accordance with OAR 860-089-0500, PGE's request for acknowledgement includes the IE's Final Closing Report, PGE's final shortlist of responsive bids, the sensitivity analyses performed, and a discussion of the consistency between the final shortlist and PGE's last acknowledged IRP Action Plan or acknowledged IRP Update.

PGE seeks acknowledgment of the final shortlist. PGE requests Commission acknowledgment of this FSL by November 25, 2025, to enable PGE to timely finalize negotiations with final shortlist bidders by the end of the year, secure projects that capture the full value of federal tax incentives before phase-out, and mitigate the customer cost impacts of new tariffs.

VIII. CONCLUSION

The Commission's acknowledgment of PGE's updated final shortlist will enable PGE to secure long-term value for customers, help fill PGE's 2028 energy and capacity needs, and to achieve progress toward the HB 2021 decarbonization compliance targets. PGE is committed to continuing to provide safe, reliable, affordable and increasingly clean electricity to our customers. The 2023 RFP had robust participation and provided PGE with a competitive selection process. PGE's final shortlist represents resources with the best combination of cost and risk for customers.

Importantly, timely acknowledgment is necessary to capture the full benefits of federal tax credits before they phase out and to mitigate the cost impacts of recently enacted tariffs. Without prompt action, customers risk losing access to billions of dollars in tax incentives and facing higher near-term costs from supply chain disruptions. By acting now, the Commission ensures that Oregon customers secure the lowest-cost, least-risk resources available under today's market and policy conditions.

The Updated FSL was developed under full Independent Evaluator oversight and in compliance with Commission rules. It reflects only those projects that remain executable under the accelerated federal policy timelines and that can deliver by December 31, 2027, thereby ensuring PGE's capacity needs are met and customer affordability is protected.

PGE therefore respectfully requests Commission acknowledgement of the 2023 RFP Updated Final Shortlist by November 25, 2025, so that PGE can move forward expeditiously to finalize contracts, protect customers from unnecessary cost escalation, and advance Oregon's decarbonization goals.

Dated this 1st Day of October, 2025

Respectfully submitted by,

____

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IX. Appendix A

Highly Confidential

The Independent Evaluator's Analysis of Portland General Electric's 2023 RFP Post-Shortlist Price Refresh

September 30, 2025

Prepared by Bates White, LLC

Table of Contents

1. INTRODUCTION AND SUMMARY

1.1. Introduction

Bates White, LLC, ("Bates White") serves the Oregon Public Utility Commission ("Commission") as the Independent Evaluator ("IE") for this 2023 All Source Request for Proposals ("2023 RFP" or "RFP"). Bates White has previously provided reports regarding the RFP self-build or benchmark offers, the design of the Draft RFP, and the Final RFP Shortlist.

The purpose of this report is to provide the Commission with the IE's analysis of Portland General Electric ("PGE")'s post-shortlist price refresh. We walk through the development and results of the RFP to date, the updated prices, and PGE's updated analysis.

1.2. Summary of Conclusions

Our conclusions are the following.

- PGEs updated analysis shows the need for new resources to meet capacity and energy needs.
- PGE's updated evaluation model utilizes the same cost/benefit methodology that was employed in the original analysis. Due to updated energy and capacity values most projects improved on a cost/benefit valuation basis.
- Of the projects providing an updated offer, the majority increased their price, but some projects offered a price decrease.
- Including considerations regarding project contractual viability, the updated needs analysis confirmed the wisdom of continuing to pursue the **Begin Highly Confidential/**[redacted]**/End Highly Confidential** projects.
- A reasonable case can be made for pursuit of the **Begin Highly Confidential/**[redacted]**/End Highly Confidential** project based on its score, viability, and the expiration of tax credits for wind and solar facilities.
- We would recommend PGE also pursue the **Begin Highly Confidential/**[redacted]**/End Highly Confidential** project based on its cost/benefit score, their 2028 needs, and project viability. We understand that PGE will pursue this project on a bilateral basis.
- We would recommend that PGE utilize the initial prices in the 2025 RFP to sanity check the results of this contracting process.
- We also recommend that PGE utilize appropriate contractual protections to ensure that ratepayers receive the benefits of expiring tax credits.

2. BACKGROUND

The 2023 RFP was based on the findings of PGE's 2023 Clean Energy Plan and Integrated Resource Plan (CEP/IRP). The IRP was acknowledged with conditions and additional directives on April 18, 2024.[1] In the same Order the CEP was not acknowledged but PGE was directed to revise and resubmit certain elements of the CEP with its next CEP/IRP update.

PGE's original CEP/IRP included an action plan to acquire 181 MWa of non-emitting resources each year through 2028 (a total of 543 MWa) and over 600 MW of summer and winter capacity.[2] After further revisions these numbers increased and the Commission acknowledged an action plan that included 251 MWa/year of renewable acquisition 905 MW of summer capacity and 787 MW of winter capacity.[3]

Bates White was approved as the IE on April 28, 2023.[4] Our first major task as IE was to review the draft RFP (including the scoring and modeling methodology). PGE filed the Draft RFP in Docket UM-2274 on May 19, 2023. We provided our assessment of the Draft RFP on May 31, 2023.[5] In this report we assessed the draft RFP against Oregon Competitive Bidding Requirements. We also provided some lessons learned from our work in PGE's 2021 All Source RFP. We concluded that the Draft RFP was generally consistent with Oregon Competitive Bidding Requirements but we did make some suggestions to improve the process.

Subsequent to the filing of our report we provided a second assessment in which we discussed key issues raised by stakeholders and assessed PGE's proposed changes to the draft RFP.[6]

The RFP was issued to market with the modifications as requested by the Commission on February 2, 2024. On February 23, 2024, in accordance with the RFP timeline, PGE's Benchmark team submitted their offers to the IE and the PGE evaluation team. After the bid receipt, Bates White undertook a multi-part review of the offers in order to validate the Benchmark submissions and scoring. Our report on the bids was submitted in March of 2024.[7]

Per the RFP schedule, third-party solar Build Transfer Agreement ("BTA") bids were to be filed after the Benchmark offers but before other third party bids. Third party BTA offers were ultimately provided on April 5, 2024. We subsequently provided an analysis of the offers to the Commission. This was filed in the RFP docket at the end of April.[8]

[1] Order No. 24-096, Docket LC-80, April 18, 2024.
[2] PGE CEP/IRP p 32.
[3] Order No. 24-096. Appendix A, p 5.
[4] In Order 23-146 in Docket UM-2274 the Commission approved a PGE request for a partial waiver of the Competitive Bidding Rules to continue utilizing Bates White as the IE for the 2023 All Source RFP. Bates White was, at the time, serving as the IE for the 2021 All Source RFP.
[5] The Independent Evaluators Assessment of Portland General Electric's Draft 2023 All Source Request for Proposals. OPUC Docket UM-2274, May 31, 2023.
[6] The Independent Evaluators Second Assessment of Portland General Electric's Draft 2023 All Source Request for Proposals. Docket UM-2274, July 14, 2023.
[7] PGE's Benchmark bid sealing of RFP bid scores. Docket UM-2274, March 28, 2024. An errata filing was filed in the same docket on April 4, 2024.
[8] PGE's RFP Evaluation Compliance Filing per Order No. 24-011, Docket UM-2274, April 29, 2024.

We reviewed the PGE scoring model and associated cost/benefit calculations. While we noted some issues such as incorrect inputs corrections were made and the models appeared to correctly calculate the levelized costs of the bids.

Remaining offers from third-party bidders were due on April 30, 2024. After the bids were received, minimum qualifications were evaluated, and bid details were confirmed and the Company began the initial shortlist evaluation. Per the RFP, the bid score was based entirely on price. Specifically, the cost/benefit ratio of the offer. This is in contrast to past RFPs which featured a non-price component.

Bates White independently verified the rankings via several steps. We reviewed each model run to make sure that the details of the bids were properly input and that all bids used the same default assumptions. We double-checked the calculations in the model to assure that they functioned properly. We checked the benefits of each offer by checking that the capacity factors either reflected the submitted bid information (in the case of dispatchable resources) or were similar across technology types. We reviewed the ELCC of each bid by comparing bids of the same technology type and looking for outliers, then seeking explanations for those outliers.

Bids selected to the initial shortlist were asked to provide a best and final offer (BAFO) and provide additional documentation and updates concerning interconnection, financing, equipment and more. PGE then began the portfolio modelling process as described in the RFP. In this process PGE used the ROSE-E model to select bids from among the offers which would result in the lowest cost outcome while still meeting reliability goals and PGE's HB 2021 glidepath emissions targets over the 2024-2043 period. Generic renewable and capacity resources were used to fill in shortfalls if needed.[9]

The following table shows the cost/benefit ratio of qualifying projects evaluated for the final shortlist. This also shows changes in rank order by scenario. PGE tested four scenarios; a) a 10% increase in EPC capex, b) a 10% increase in O&M and maintenance Capex, c) an increase in the discount for selling tax credits on the open market from 6.75% to 15% and d) a tax credit discount of 9%. The table below shows the base rankings and scoring of all bids and the change in rank order in each case. Bids shaded in yellow are Benchmark offers.

[9] Generic resources were not assumed to be of any particular size. They can be added in 1 MW increments in any quantity required by the model. Their purpose is to allow the model to solve given the fact that there is insufficient capacity and energy provided by bids alone to meet needs. To prevent competition between bids and generic resources, generics are priced at a cost higher than the most-costly bid in years in which bids are available for selection (through 2028).

Begin Highly Confidential/*Table 1: Sensitivity Results for Shortlisted Projects – Change in Rank Order*

	Bid	Base Rank	Score	Scenario 1: EPC CapEx + 10%	Scenario 2: O&M and Maint CapEx + 10%	Scenario 3: ITC discount of 15%	Scenario 4: ITC discount of 9%

[redacted]

/End Highly Confidential

Based on their analysis, PGE proposed to take a several projects on to the final shortlist. One group of projects was targeted for contracting while the second served as backup in case final deals could not be negotiated with the chosen projects. The table below shows the final shortlist. Recall that the overall targets for PGE from their IRP approval were 251 MWa/year of renewable acquisition (a total of 753 MWa from 2025-2027), 905 MW of summer capacity and 787 MW of winter capacity.[10]

[10] Order No. 24-096. Appendix A, p 5.

Begin Highly Confidential/*Table 2: Final Shortlist Project Ranks*

Target

Bid #	Bid	Cost/Benefit	Nameplate MW	ELCC (MW)	Mwa	Transaction
[redacted]						

Backup

Bid #	Bid	Cost/Benefit	Nameplate MW	ELCC (MW)	Mwa	Transaction
[redacted]						

/End Highly Confidential

These were essentially the top offers by cost/benefit ratio.[11] The total effective capacity selected in the target portfolio was 550 MW with 93 MWa in renewable generating output. This selection was far below the renewable acquisition targets but PGE believed that the renewable offers were not very competitive from a cost/benefit perspective.

We found that the RFP process was run in accordance with the rules laid out in the RFP document. The offers selected for the final shortlist were selected fairly, via the approved RFP scoring system. Bates White was able to independently evaluate each offer. We were able to conclude that PGE's scoring was reasonable. The Commission acknowledged the shortlist in November of 2024.[12]

[11] The smaller **Begin Highly Confidential/**[redacted]**/End Highly Confidential** offer technically had a better cost/benefit ratio, but the larger offer provides more supply. In addition, the larger offer is penalized in the calculation of capacity benefit as larger units display a saturation effect in PGE's analysis, lowering their contribution on a per-MW basis. On the basis of cost the larger unit has a lower levelized cost (**Begin Highly Confidential/**[redacted] **/End Highly Confidential** than the smaller offer (**Begin Highly Confidential/**[redacted]**/End Highly Confidential**).

[12] Order No. 24-425, November 25, 2024.

3. PRICE UPDATES SINCE FINAL SHORTLIST APPROVAL

3.1. Developments Since the Final Shortlist

Once the shortlist was acknowledged PGE began negotiations with the selected offers. At this point some offers dropped out of the process.

- **Begin Highly Confidential/**[redacted]**/End Highly Confidential** (71.1.Alt2) dropped out in September of 2024 to pursue another opportunity. The bidder noted that the opportunity was able to develop faster than a standard RFP process allowed. **Begin Highly Confidential**[redacted]**/End Highly Confidential** also noted that their **Begin Highly Confidential/**[redacted]**End Highly Confidential** which was considered for but not on the final shortlist - was also no longer available.

- **Begin Highly Confidential/**[redacted]**/End Highly Confidential** withdrew their **Begin Highly Confidential/** [redacted]**/End Highly Confidential** (16.1.Base) in December of 2024. The bidder noted that they planned to resubmit the offer in the next RFP cycle. While negotiations were only in the preliminary phase a key sticking point was the desire on the bidder's behalf to have **Begin Highly Confidential/**[redacted]**/End Highly Confidential**

PGE continued to work with **Begin Highly Confidential/**[redacted]**/End Highly Confidential** – the bidder behind the **Begin Highly Confidential/**[redacted]**/End Highly Confidential** offers – to reach an agreement, making significant progress over the months. We monitored contract negotiations as they progressed.

In July of 2025 PGE decided to move forward with the option of allowing conforming bidders form the 2023 RFP final shortlist to refresh their best and final pricing. Per PGE this was in response to federal policy changes, including the passage of HB 1, and would allow bidders to reflect new economic factors including tariff exposure and changing qualifications for clean energy tax credits.

Bids eligible for the final shortlist were allowed to update their price only and could not change other aspects of their offer. All offers still had to meet the RFP operation date deadline of December 31, 2027. Prices had to be reflective of expected tariff exposure. Updates were to be provided by August 11, 2025.

3.2. Price Updates

Updated offers were received from a total of seven projects. Of the projects that were in consideration for the final shortlist offers were not received from **Begin Highly Confidential/** [redacted] **/End Highly Confidential**. In general, these projects were not able to meet the COD requirement. **Begin Highly Confidential/** [redacted] **/End Highly Confidential** also only elected to submit refreshed offers for the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** that were under negotiation.

The table below shows the updated offers as well as the respective best and final offers made in June of 2024. All projects will have COD by the end of 2027, per the RFP requirements.

Begin Highly Confidential/

Table 3: Final Shortlist Project Ranks[13]

			June 2024 BAFO			August 2025 Update		
Bid	Base Rank	Score	PPA Energy Price ($/MWh)	PPA Capacity Price ($-kw-month)	BTA Price ($000s)	PPA Energy Price ($/MWh)	PPA Capacity Price ($-kw-month)	BTA Price ($000s)
[redacted]								

/End Highly Confidential

As can be seen here, prices are generally increasing. This is what we would expect to see given the spate of tariffs enacted as well as the additional risks presented by the current administration. The offers from **Begin Highly Confidential/** [redacted] **/End Highly Confidential**

Interestingly, some projects saw price decreases. The **Begin Highly Confidential/** [redacted] **/End Highly Confidential** saw a small decrease (roughly 4 percent on average) in prices offered for its mixed-ownership hybrid project. Surprisingly, the two batteries offered by **Begin Highly Confidential/** [redacted] **/End Highly Confidential** saw deep decreases (about 17 to 18 percent) in the capacity price portions of their offer with mixed results in the BTA portions of their offer.

[13] **Begin Highly Confidential/** [redacted] **/End Highly Confidential** stated that they "may increase" their prices by up to **Begin Highly Confidential/** [redacted] **/End Highly Confidential**. Prices shown include these potential increases and were used by PGE in their subsequent evaluation.

3.3. PGE Evaluation Process

PGE evaluated the projects by using the approved 2023 scoring methodology to assess their costs and benefits. For BTA bids the costs were:

(a) the revenue requirement needed to cover the project's capital cost,
(b) O&M costs,
(c) insurance, land lease and other services costs,
(d) network upgrade costs,
(e) any transmission services needed to deliver the power to PGE's territory, including wheeling, line losses, reserves, and balancing costs and,
(f) the value of tax credits. PGE planned to sell off any tax credits received from projects which they were to own. PGE presumed that any such sales would carry a 6.75% discount.

For PPA bids the costs included:

(a) the PPA price, and
(b) all applicable transmission costs.

On the benefits side there are three categories of benefit.

- Energy value – This reflects the value of the energy generated by the project. PGE used an updated reference case developed by Wood Mackenzie paired with the PGE forward price curve for near-term prices. This was a change from the final shortlist analysis and reflects the method utilized in the 2023 IRP Update.
- Capacity value – Per the RFP PGE calculated capacity contributions for each offer using the Sequoia model.
- Flexibility Value – Per the RFP the flexibility values were imported from the 2023 CEP/IRP and came from the Gridpath model. These were applied to BESS units only and varied depending on storage duration.

To start with, we look at these values for the bids under consideration as of the final shortlist filing.

Begin Highly Confidential/

Table 4 - Filed Final Shortlist Costs/Benefits

							Benefits - Real Levelized $/MWh		
Bid #	Bid	Total Cost - RL - $/MWh	Total Cost - NL - $/MWh	Total Benefits - RL - $/MWh	Total Benefits - NL - $/MWh	Cost/Benefit Rato	Energy	Capacity	Flexibility
[redacted]									

/End Highly Confidential

Here we see that all bids had costs higher than their benefits, with energy values being notably low. The best scoring bids, **Begin Highly Confidential/** [redacted] **/End Highly Confidential**, were selected for contract negotiations. The next table shows the information as updated in PGE's most recent analysis.

Begin Highly Confidential/

Table 5 – Updated Costs/Benefits

							Benefits - Real Levelized $/MWh		
Bid #	Bid	Total Cost - RL - $/MWh	Total Cost - NL - $/MWh	Total Benefits - RL - $/MWh	Total Benefits - NL - $/MWh	Cost/Benefit Rato	Energy	Capacity	Flexibility
[redacted]									

/End Highly Confidential

In the updated the cost benefit ratios improve for all offers. **Begin Highly Confidential/ Begin Highly Confidential/** [redacted] **/End Highly Confidential** the bids that dropped their prices the most, are positive from a cost-benefit standpoint. The **Begin Highly Confidential/** [redacted] **/End Highly Confidential** projects are next.

For further analysis we can look at the changes in the cost-benefit components in each bid.

Begin Highly Confidential/

Table 6 – Cost Benefit changes real levelized ($/MWh)

				Benefits - Real Levelized $/MWh		
Bid #	Bid	Total Cost - RL - $/MWh	Total Benefits - RL - $/MWh	Energy	Capacity	Flexibility
[redacted]						

/End Highly Confidential

We again see the dramatic drop in the **Begin Highly Confidential/**[redacted]**/End Highly Confidential** prices, as well as the smaller decreases in the **Begin Highly Confidential/**[redacted]**/End Highly Confidential** offers. Energy and capacity values are up for all bids. On the BESS side, the capacity values in particular increase greatly.

Capacity values are up due to an update to the assumption about the cost of capacity. For the initial analysis the value was $144/kw-year, based on the net cost of a new 4-hour BESS unit. This updated analysis utilized the value from the 2023 IRP update, which is based on the net cost of capacity of the preferred portfolio additions (a mix of resources). This is an attempt to estimate a capacity value that more closely matches the "market". This new value is $237/kw-year. On the energy side, values are up as well. This reflects an updated forecast with higher energy prices.

We validated this analysis by reviewing all updated bid materials, comparing the inputs and results with past modelling and confirming any updates provided.

4. DECISIONS MOVING FORWARD

After performing the updated analysis PGE then began to consider what projects they should acquire. As of PGE's 2023 CEP/IRP update, the Company reports their capacity needs for 2028 as 0 MW in the summer and 195 MW in the winter.[14] However, this includes what PGE terms "RFP Proxy" resources – these include not only the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** projects but also the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** project.

Per PGE their updated 2028 summer and winter capacity needs (removing the RFP Proxy resources and updating load forecasts) were 797 MW in the summer and 465 MW in the winter.

Signing the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** projects reduces the needs to 435 MW and 316 MW in the summer and winter, respectively. Inclusion of these projects made sense as they performed well on the cost/benefit screen above and are both execution ready.

PGE then considered other resources to obtain. They decided to pursue the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** project because it contributes capacity and renewable energy and had a clear path to execution by the 2027 deadline. PGE also believed that future renewable offers would not be able to take advantage of tax credits as fully as this project would.

While both projects scored well, PGE did not believe the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** projects were necessarily as execution ready as other projects. PGE stated that their transmission personnel believed the **Begin Highly Confidential/** [redacted] **End Highly Confidential** [15] PGE noted the potential need for a **Begin Highly Confidential/** [redacted] **/End Highly Confidential**.

While we understand PGE's reasoning, we still believe the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** project is worth pursuing. Even with the signing of **Begin Highly Confidential/** [redacted] **/End Highly Confidential** PGE's needs would be about 300 MW in the summer and 180 MW in the winter. While we defer to PGE transmission regarding the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** project the **Begin Highly Confidential/** [redacted] **/End Highly Confidential** developer provided **Begin Highly Confidential/** [redacted] **/End Highly Confidential** The project scores well and dropped its price to what we see as a very competitive level. For reference, the **Begin Highly Confidential/** [redacted] **/End Highly Confidential**

[14] IRP Update p 51.

[15] While the project has a LGIA it only addresses the Begin HC/ [redacted] ./ End HC

We understand and agree that prices could change during negotiations, and delays could happen for reasons of interconnection, permitting and more, so the project is by no means a sure thing, but given the need, the competitive pricing and scores here it at least seems logical that PGE should start negotiations with the **Begin Highly Confidential/**[redacted]**/End Highly Confidential**. As we understand it PGE will pursue the project, but in a PPA model outside the scope of this RFP.

We also point out that tax credits for energy storage are not expiring with the same speed that solar and wind credits are, so it could be that PGE will have similar offers in the upcoming 2025 RFP. In addition, wind and solar projects that start construction by June of next year will have four years to finish construction and claim credits. So these types of deals may still be present in the 2025 RFP offers. We would urge PGE to at least make an initial comparison of the offers in that RFP to the projects here to ensure the general reasonableness of the path forward. This is not meant to be a hard screen (as prices have recently tended to rise during the RFP process) but rather just a sanity check on the path forward. The impetus for asking for the reprice here was mainly to capture expiring tax credits that PGE felt would not be available in future bids, so it makes sense to try and confirm this assumption by review of the latest data.

We finally conclude by stating our assumption that any projects selected through this reprice will have appropriate protections in the contracts (both BTA and PPA) to ensure that ratepayers are able to both see the benefits of tax credits and are protected from cost increases in case developers are not able to claim the credits assumed in their offers.

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the Highly Confidential Request for Acknowledgement of Updated Final Shortlist to be served by electronic mail to those parties whose email addresses appear on the attached service list for OPUC Docket UM 2274.

Dated October 1, 2025

Respectfully Submitted,

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