

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

LC 70

In the Matter of
PACIFICORP dba PACIFIC POWER,
2019 Integrated Resource Plan.

STAFF'S MOTION FOR LEAVE TO FILE
SUPPLEMENTAL FINAL COMMENTS

Staff files this motion requesting permission to file a supplement to Staff's Final Comments. The supplemental comments filing that Staff seeks to file is attached hereto as Attachment A.

Although Final Comments were due to be filed March 4, 2020 under the procedural schedule adopted in this docket, Staff requests leave to supplement its Final Comments that were filed on March 4, 2020 to include a set of specific comments on Class 3 DSM with one recommended action. Staff requests this leave as the failure to include these comments with its timely filing was inadvertent.

Staff circulated this motion as a draft by email to the service list at approximately 2 p.m. on March 6, 2020. As of the time of filing, it was notified of the following positions by interested persons in the docket: PacifiCorp and Renewable Energy Coalition have no objection to this motion.

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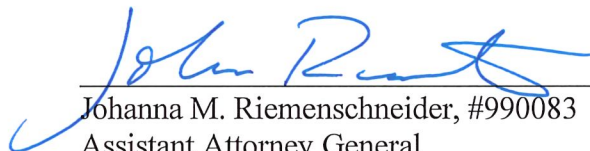
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1 For these reasons, Staff requests that this motion be granted and the attached response to
2 be filed in the docket.

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4 DATED this 6 day of March 2020.

5 Respectfully submitted,

6 ELLEN F. ROSENBLUM
7 Attorney General

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10 Johanna M. Riemenschneider, #990083
11 Assistant Attorney General
12 Of Attorneys for PUC Staff
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Supplemental Final Comments

Class 3 DSM

In Opening Comments, Staff noted concerns with the fact that Class 3 DSM is not directly accounted for in PacifiCorp's IRP modeling, which instead relies on the effects of Class 3 DSM programs to be captured naturally through historic load. Staff particularly expressed concern that the lack of consideration for Class 3 DSM offerings in the IRP process will result in inaccurate load forecasts if there is any expansion of, or a more dynamic approach, to Class 3 DSM in the future.¹

Staff therefore recommended PacifiCorp work with Staff to increase understanding of the data collected through AMI in PacifiCorp's Oregon service territory, to determine the appropriateness of utilizing AMI to develop time varying rates, and to consider how the deployment of Class 3 DSM may be leveraged to strengthen the effects of demand response offerings. Staff also recommended that before the next IRP, PacifiCorp should engage with Staff and stakeholders to discuss the development of Class 3 DSM pilot offerings and to explore how the resource planning process can be improved to either better reflect Class 3 DSM as a load reduction tool or select it as a supply side resource.

In its Opening Comments, NWECA expressed similar concerns over the treatment of Class 3 DSM, recommending the addition of a new Action Plan item, to include a new outside expert study and a full stakeholder workshop to help develop a "full and coherent approach to the broad set of flexible demand resources included in DSM Class 1 and 3, in order to address needs for peak load reduction, system balancing and ramping, and ancillary services that can be provided by these resources."²

In its Reply Comments, PacifiCorp seemingly agrees with Staff that the Company should utilize its deployment of AMI in a meaningful way, and states its intention to include "several time-varying rate pilots" in its 2020 general rate case (GRC).³ PacifiCorp also states that it is appropriate to hold a workshop "to provide an update on the development of these potential Class 3 DSM offerings" before the next IRP is filed, further stating, "at that time, and based on the status of the pilot programs, such a workshop will be an appropriate forum to explore how the resource planning process can be improved to either better reflect Class 3 DSM as a load reduction or supply-side resource."⁴ Staff is encouraged by the Company's openness to a conversation on the utilization of AMI data and the inclusion of Class 3 DSM in IRP analysis.

Staff is supportive of PacifiCorp planning for expansion of Class 3 DSM offerings, including potentially cost effective Class 3 DSM programs such as default seasonal rates, dynamic peak pricing, and critical peak pricing, and any number of time-varying rate proposals, which may provide customer benefits.

Now is the time for PacifiCorp to begin a serious investigation into the cost effectiveness of potential Class 3 DSM resources on its system, and the best methods for including those effects in its planning process, given that the Company has all the necessary tools to do so.

Staff appreciates that the Company is willing to hold a workshop prior to the 2021 IRP to discuss the development of its proposed time-varying rate schedules; however, Staff further recommends that such a workshop also include a broader explanation of how the Company uses and collects AMI data, and

¹ LC 70 – Staff Opening Comments, pages 42 to 44.

² LC 70 – NWECA Opening Comments, page 7.

³ LC 70 – PacifiCorp's Reply Comments, page 20.

⁴ *Ibid.*

plans to expand and utilize AMI in its other jurisdictions. To this end, Staff recommends the Company update its action plan with an action item to obtain an outside expert study on Class 3 DSM and facilitate a workshop with stakeholders to discuss how to maximize the potential benefits of Class 3 resources.

Recommendation(s):

- **Staff recommends the Company update its action plan with an additional action item, to include a new outside expert study and a full stakeholder workshop for Class 3 DSM in the next IRP cycle.**
 - **The workshop should occur no less than six months before the filing of PacifiCorp's 2021 IRP, and should update stakeholders on the state of PacifiCorp's current and potential future Class 3 DSM offerings, including an update on how PacifiCorp will account for Class 3 DSM in its 2021 IRP.**

This concludes OPUC Staff's supplemental final comments

Dated at Salem, Oregon, this 6th day of March, 2020.

A handwritten signature in black ink, appearing to read 'Rose Anderson', written over a horizontal line.

Rose Anderson
Senior Economist
Energy Resources and Planning Division