

each integrated resource plan,” and file the plan with the Commission and Oregon Department of Environmental Quality (DEQ).

ORS 469A.420 outlines the requirements and considerations for the Commission to acknowledge the CEP “...if the commission finds the plan to be in the public interest and consistent with the clean energy targets...”

In addition, ORS 469A.415(6) requires the Commission to ensure that the utilities demonstrate continual progress within the CEP planning period toward meeting the clean energy targets and are taking actions as soon as practicable to reduce emissions at reasonable cost to retail electricity consumers.

Requirements for the filing, review, and update of Integrated Resource Plans (IRPs) are provided in OAR 860-027-0400. Per OAR 860-027-0400(2), IRPs must satisfy the requirements of Commission Order Nos. 07-002, 07-047, and 08-339.

Analysis

Background

The Commission opened Docket No. UM 2225, Investigation into Clean Energy Plans, on January 11, 2022. The Investigation into Clean Energy Plans is the Commission’s first major HB 2021 implementation activity, both because the CEP is HB 2021’s key regulatory mechanism for implementation of the emissions reduction targets prior to 2030 and because the first CEP filings are anticipated as early as March 2023.

After a scoping process, Staff released a work plan for UM 2225 on April 4, 2022.¹ The work plan is designed to prioritize the most important near-term recommendation to bring to the Commission while facilitating meaningful input and shared learnings, including the following works streams:

Work stream	Objective	Status
1. Planning Framework	Answer threshold questions about how the first Clean Energy Plans fit into the planning landscape among Integrated Resource Plans (IRP)	On May 31, 2022, the Commission adopted Staff’s threshold “Planning Framework” proposal: ² <ul style="list-style-type: none">• CEP filed with IRP (Commission exception for undue burden).• CEP consistent with the IRP analysis and IRP Action Plan.• CEP describes how the CEP/IRP meet HB 2021 requirements.

¹ Docket No. UM 2225, Staff’s Work Plan Announcement, April 4, 2022, accessed at: <https://edocs.puc.state.or.us/efdocs/HAH/um2225hah91948.pdf>.

² See Docket No. UM 2225, Commission Order No. 22-206, June 3, 2022.

	and Distribution System Plans (DSP).	<ul style="list-style-type: none"> • Utilities provide annual updates on utility actions and progress toward the annual goals described in the CEP with IRP update. • No action on compliance penalties in UM 2225.
2. Roadmap Acknowledgement	Clarify expectations for the roadmap of decarbonization actions presented in the CEP, including the annual goals and metrics, considerations for CEP acknowledgment, and reporting progress in line with annual goals.	<p>On October 6, 2022, the Commission adopted Staff's Roadmap Acknowledgement recommendations, including:</p> <ul style="list-style-type: none"> • CEP uses IRP planning and acknowledgement horizons. • CEP includes annual goals and actions per resource type, including community based renewable energy projects (CBREs) and voluntary actions. • CEP includes metrics for portfolio analysis and reporting actuals in updates for emissions reductions, cost, and community benefits indicators (CBIs). • CEP actions balance cost, risk, pace of emissions reductions, and community benefits and impacts. • CEP acknowledgement considers HB 2021 targets, consistency with IRP and relationship to other plans, and effectiveness of community engagement. • CEP actions show annual reduction in GHG emissions. • IRP updates include progress toward CEP goals, measured impacts across metrics, DEQ reports.
3. Engagement and Other Procedural Issues	Establish procedural requirements for the Clean Energy Plans, including engagement during development of the first CEP and procedural rules for the filing, review, and acknowledgement.	<p>Utilities finalized their Planning Engagement Strategies August 4, 2022.^{3,4}</p> <p>Staff circulated draft procedural rules October 11, 2022, and received written comments November 3, 2022.⁵ Staff will request that the Commission move the draft procedural rules to formal rulemaking at the December 13, 2022 Public Meeting.</p>

³ Id., PacifiCorp's Oregon Clean Energy Plan Updated Engagement Strategy, August 4, 2022, accessed at: <https://edocs.puc.state.or.us/efdocs/HAH/um2225hah161643.pdf>.

⁴ Id., Updated Clean Energy Plan (CEP) Engagement Strategy from Portland General Electric Company, August 4, 2022, accessed at: <https://edocs.puc.state.or.us/efdocs/HAH/um2225hah165755.pdf>.

⁵ Id, Staff's Proposed CEP Rule Language, October 11, 2022, accessed at: <https://edocs.puc.state.or.us/efdocs/HAH/um2225hah93812.pdf>.

<p>4. Community Lens</p>	<p>Clarify analytical expectations for implementing CEP requirements related to risk-based resiliency analysis, offsetting fossil fuels with community-based renewable energy analysis, community-based resources and community benefits into utility planning analysis.</p>	<p>On October 6, 2022, the Commission adopted Staff's Community Lens Analysis recommendations, including:</p> <ul style="list-style-type: none"> • CEP includes a CBRE potential analysis, using CBIs, to inform annual acquisition targets for CBREs and a description of activities to meet those targets. • CBRE acquisition actions should help facilitate emissions reductions and be developed with communities and with input from Staff and stakeholders. • Develop quantifiable and measurable CBIs for resilience, health and community well-being, environmental impacts, energy equity, and economic impacts. • CEP includes CBRE proxy in portfolio modeling to examine fossil offset opportunities from CBREs. • CBRE analysis includes additional resiliency planning practices. <p>Staff will present an additional Grid Modernization Lab Consortium report and its key takeaways to the Commission at a December 15, 2022 Special Public Meeting.⁶</p>
<p>5. Analytical Improvements</p>	<p>Using any remaining time, create opportunities for shared learning and identify any near-term needs to adapt current analytical practices to HB 2021.</p>	<p>On November 1, 2022, the Commission adopted Staff's Analytical Improvements recommendations with a few wording changes. The guidance includes:</p> <ul style="list-style-type: none"> • CEP includes narrative answers to five key long-term decarbonization planning questions, supported by quantitative analysis where possible. • CEP quantitatively evaluates emerging technologies, the impacts of electrification and climate change, transmission constraints and expansion. • CEP evaluates sensitivity to regional coordination. • CEP modeling should achieve 2030 and 2035 targets under typical and expected conditions and 2040 targets across all tested conditions. • CEP explains any fossil resource retirements and conversations modeled and provides a minimum level detail about any modeled operational changes for fossil resources that help meet emissions reduction targets. • CEP should be written for an introductory audience and include definitions of all key terms and acronyms. • CEP should report a minimum set of emissions, cost, and REC data in a specified format. • Parties should try to collaboratively develop standardized CEP data reporting templates by February 1, 2023.

⁶ Id., Staff's Resiliency Planning Standards and Practices, September 7, 2022, accessed at: <https://edocs.puc.state.or.us/efdocs/HAH/um2225hah113046.pdf>.

The purpose of this Staff report is to recommend that the Commission move Staff's draft procedural rules for the CEP to the formal rulemaking stage.

Staff released its initial proposal for draft rules on October 11, 2022, and received written comments on November 3, 2022, from Climate Solutions, Coalition of Communities of Color, Ecumenical Ministries of Oregon, Green Energy Institute at Lewis & Clark Law School, the Sierra Club, Metro Climate Action Team Steering Committee, Multnomah County Office of Sustainability, NW Energy Coalition, Oregon Citizens' Utility Board, the Oregon Just Transition Alliance, Oregon Solar + Storage Industries Association, Renewable Northwest, and Rogue Climate (Collectively the Energy Advocates);⁷ Renewable Northwest (RNW)⁸; and the PAC and PGE (Joint Utilities).⁹

Staff appreciates the thoughtful feedback provided in written comments. This feedback has highlighted many areas of general alignment and a few key issues for Commission resolution in formal rulemaking. With a few clarifications and revisions described in this Staff report, Staff believes that the draft rules are ready to proceed to the next stage of the process.

Staff Strategy for CEP Procedural Rules

Staff's goal for this rulemaking is to incorporate basic procedural rules for the CEP into the existing IRP rules found in OAR 860-027-0400. Staff seeks to balance a few key considerations with its proposed revisions. First, the CEP and the IRP should be as aligned as possible—procedurally and analytically. Second, because the existing IRP rules apply to electric and gas IOUs that do not file a CEP, the existing policies for IRPs should not be modified. Finally, the UM 2225 process highlighted several important policy issues slated for investigation in subsequent phases of HB 2021 implementation. The draft rules should be focused on procedural issues and not expand to these policy areas.

Where possible, Staff proposes to apply the existing IRP processes and timelines to the CEP. In areas where CEP-specific details are needed, Staff proposes a CEP-specific rule that does not modify IRP policies. Staff understands that IRP rules and guidelines should be revisited at some point. That process is broader than this rulemaking and should occur after parties gain experience with the CEP and other emerging planning frameworks.

⁷ Energy Advocates' comments, accessed at: <https://edocs.puc.state.or.us/efdocs/HAC/um2225hac171439.pdf>.

⁸ RNW comments, accessed at: <https://edocs.puc.state.or.us/efdocs/HAC/um2225hac12138.pdf>.

⁹ Joint Utilities' comments, accessed at: <https://edocs.puc.state.or.us/efdocs/HAC/um2225hac17720.pdf>.

Staff's final recommendations are provided in Attachment 1. For convenience, Staff has also included a version that reflects the changes Staff made to its initial proposal in response to Stakeholder comments in Attachment 2.

The remainder of this Staff report summarizes the final proposed draft rules, highlights key issues for resolution in the formal rulemaking, and responds to the feedback provided in written comments.

CEP Review Timelines

Staff proposes that the CEP will be filed concurrently with the IRP in the same docket unless the utility receives a waiver based on undue burden (Staff proposed-Rule 4). Staff also proposes to apply the existing rules for public engagement in the IRP to the CEP. This includes the requirement that the utility present its filed IRP and CEP at a public meeting prior to the deadline for written public comment (Staff-proposed Rule 6), that written public comment and recommendations on the IRP and CEP must be filed generally within six months of the CEP filing (Staff-proposed Rule 7), and the requirement that the Commission consider comments and recommendations at a public meeting before issuing an order for acknowledgement for the IRP and CEP (Staff-proposed Rule 8).

Staff's proposal also recognizes that, if the Commission grants a waiver to file the CEP later than the IRP, the Commission may choose to establish an alternative schedule for the CEP review (Staff-proposed Rule 4). In addition, Staff proposes that comments and recommendations should still generally be filed within six months of CEP filing if the CEP is filed after the IRP (Staff-proposed Rule 7).

While Stakeholders are comfortable using the existing IRP engagement rules for the CEP, they requested more clarity about CEP engagement timelines if a CEP is not filed at the same time as the IRP. Parties agree that the CEP public process should provide meaningful engagement opportunities without delaying the planning cadence required to meet the ambitious HB 2021 targets, but each proposes a different approach to clarify the timeline.

Staff agrees that balancing engagement with timeliness is important, and the rules should provide clarity about the timeline when a CEP is filed later than the IRP. Staff also agrees with the Energy Advocates' and RNW's strong preference for concurrent filings and has structured the proposed rules to limit circumstances in which the CEP is not filed with the IRP. Staff's final proposal maintains, generally, a six-month timeline to for comments and recommendations if the CEP is filed late but recognizes the Commission's flexibility to consider the specifics of the utility proposal when establishing an alternate CEP timeline.

The Joint Utilities' streamlined language does not include Staff's proposed requirement that the CEP will be filed concurrently with the IRP in the same docket unless the utility receives a waiver based on undue burden. Instead, the Joint Utilities propose language generally allowing for extensions to file the IRPs and CEPs for good cause. Staff continues to share a strong preference for filing together and has not incorporated this element of the Joint Utilities' streamlined language.

The Energy Advocates raise an additional concern about the impact on a CEP filing if a utility requests to delay the filing of the IRP. ORS 860-027-0400(3) allows the utility to delay its IRP if it does not intend to take any significant resource action for the next two years. Because it will also delay the filing of the CEP, the Energy Advocates propose that a utility should be required to demonstrate continual progress toward HB 2021 if they request to delay their IRP.¹⁰ While it is unlikely that utilities will go more than two years between significant resource actions under the HB 2021 transition, Staff has included a requirement to explain how the company will make continual progress toward meeting the clean energy targets during the period of extension if making such a request to delay the IRP.

RNW also suggests that the IRP/CEP public meeting presentation should occur at least 14 days prior to the comment deadline. While Staff supports RNW's suggestion, the Commission has discretion to establish the schedule for each IRP/CEP and should be able to ensure that presentations and comment deadlines are sufficiently timed without specifying this in rule.

Aligning IRP and CEP Rules

The Joint Utilities propose several revisions to streamline the existing IRP process rules with new CEP rules and align the IRP and CEP purposes. These changes include revisions to the existing definition and purpose of IRPs, the IRP public engagement and acknowledgement process, and the IRP annual update process.

Staff appreciates the desire to improve the IRP rule language and align the processes through streamlining but does not support the proposed revisions. Staff is concerned about broadening the scope of rulemaking to revise existing IRP rules, which affect several utilities that do not file a CEP and believes that it will be cleaner to keep any new language about CEP requirements separate from the existing IRP rules. Staff also prefers to keep language about the substance of the CEP separate from the definition of the CEP.¹¹

¹⁰ Staff notes that under ORS 469A.415(1) and (3) the CEP must be filed with the IRP or within 180 days following the IRP filing. This means that delaying an IRP filing will delay the CEP filing.

¹¹ The Joint Utilities specifically propose that the definition of the CEP include "a plan that satisfies the requirements of ORS 469A.415", rather than describing the CEP as a plan that is filed by utilities subject

Further, Staff questions the Joint Utilities' assertion that purpose of the IRP and CEP should be combined because the Commission's statutory directive remains unchanged by HB 2021. Staff believes that HB 2021 introduces consideration for factors beyond traditional cost and risk, like the pace of GHGs and community benefits and impacts. HB 2021 also provides additional direction about cost increases and reliability risks. Staff is concerned that, in addition to complicating the scope of the rulemaking, the revisions proposed by the Joint Utilities may deemphasize important HB 2021 and CEP elements.

Staff's final draft rules do not reflect changes to existing IRP policy language.

CEP Acknowledgement Process

Consistent with a preference for concurrent CEP and IRP filings, Staff proposes that the Commission may issue a joint order memorializing its decision on acknowledgement for the CEP and IRP. Staff also proposes three options for CEP acknowledgement actions at the Commission's discretion:

- Acknowledge a CEP as filed;
- Acknowledge a CEP with conditions; or
- Not acknowledge the CEP and require that the utility revise and resubmit all or certain elements of the CEP within the procedural timeline directed in the non-acknowledgement order.

Staff's initial proposal asked for feedback on whether it's meaningful to specify the timeline for a utility to revise and resubmit some or all of its CEP and if that timeline should be 60 days. Staff agrees with parties that the timeline to resubmit should be feasible but not delay critical steps in meeting HB 2021 targets. While 60 days may be generally acceptable to Stakeholders, Staff's final proposed rule includes the flexibility for the Commission to establish such a timeline in its non-acknowledgement order. The Energy Advocates also suggest that the rules specify the engagement process when a utility refiles its CEP, but Staff believes that the appropriate level of flexibility to determine this process on a case-by-case basis is reflected in Staff's proposed rule.

In response to a suggestion from the Joint Utilities, Staff's final proposal clarifies the Commission's flexibility to decide to issue a joint CEP and IRP, as well.

CEP Update Process

Staff proposes that the utilities include updates on actions implementing CEP annual goals as a part of the existing requirement for utilities to file annual updates on the most

to ORS 469A.415. Staff prefers to keep substantive requirements for the CEP separate from the definition of the CEP, as well.

recently acknowledged IRP (Staff-proposed Rule 11). Staff proposal requires annual updates on what has changed since the CEP acknowledgment order that affects the utility's progress toward the clean energy targets, 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.

The Joint Utilities raise an important concern that providing certain CEP updates could begin to look too much like a compliance process. Staff does not intend for the IRP Update to serve as an HB 2021 compliance review at this time. UM 2225 surfaced issues related to ensuring continual progress and enforcing annual planning goals. These compliance issues are important to address but this rulemaking is not an appropriate venue. Planning processes should focus on an exploration of key planning questions and emissions reduction trajectories for now. It should not be focused on identifying the most conservative resource strategy from an annual compliance perspective.

The Energy Advocates and RNW support Staff's proposal, with the Energy Advocates proposing a reference to continual progress toward the clean energy targets. Staff believes that this suggestion introduces further compliance issues to the Annual Update filing and has not included that language in the proposed draft rules.

Accessibility of CEP Engagement

Staff's proposed rules require that 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." (Staff-proposed Rule 5). The Joint Utilities are concerned that this language is not appropriate because it is too vague and, given the implications the CEP has on investments and ratemaking, the CEPs should be able to reflect the complexity of the given topic.

Staff understands the Joint Utilities' concerns about conveying complex information in a simple and clear manner. Staff notes that the proposed rule language mirrors ORS 183.750, which requires state agencies to prepare public writings in language that is as clear and simple as possible. The inclusion of "as possible" reflects Staff's understanding that this will be challenging, and the utilities will likely improve in this area over time.

Staff also appreciates the Energy Advocates' thoughtful suggestions to make CEP presentations at public meetings accessible, including a separate CEP-only presentation in the early evening, co-creating CEP presentations with UCBIAG or other community organizations, and including interpretation services. Staff does not believe

that these details are needed in the rules, but the Commission, Staff, and utilities should utilize these concepts when developing procedural schedules for CEP review dockets.

Referencing UM 2225 Orders

The existing IRP definition includes a reference to the Commission orders adopting IRP Guidelines and the Energy Advocates question whether the CEP definition should include a reference to the orders adopting near-term guidance for CEPs in UM 2225.

Staff does not believe that there are legal restrictions on referencing these Commission orders, but the near-term guidance is intended to be preliminary, and referencing it in rule would be counter to the spirit of the Commission's discussions about the applicability of the guidance.

Conclusion

Staff greatly appreciates the insights and perspectives provided by Stakeholders throughout the Clean Energy Plan investigation. This is the final Commission decision currently scoped in the investigation, and Staff is grateful for the amount of progress made in a condensed period of time.

Staff's goal is to incorporate basic procedural rules for the CEP into the existing IRP rules without disturbing the IRP rules that apply to all electric and gas IRPs. Staff believes that key issues for the formal rulemaking process have been identified, and that the proposed draft rules are ready to move to that stage.

Staff's final recommendation for draft CEP procedural rules are provided in Attachment 1. For convenience, Staff has also included a version that reflects the changes Staff made to its initial proposal in response to Stakeholder comments in Attachment 2.

PROPOSED COMMISSION MOTION:

Approve Staff's request to issue a notice of proposed rulemaking to adopt rules for the filing, review, and update of Clean Energy Plans revising OAR 860-027-0400.

Attachment 1. Staff's Proposed Draft Division 27 Rule Revisions

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. **An electric company subject to ORS 469A.415 must explain how it will make continual progress toward meeting the clean energy targets in ORS 469A.410 during the period of extension when making a request.**

(4) **An electric company that is subject to ORS 469A.415 must file a CEP with 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 "up to 180 days after the IRP filing date". If the Commission grants an extension for filing the CEP, it may establish an alternate 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, including a demonstration of making continual progress toward meeting the clean energy targets, the pace of greenhouse gas emissions reductions, and community impacts and benefits.**

(6) **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.**

****NOT FOR PUBLICATION****

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(7) Commission staff and parties must file their IRP comments and recommendations, **and when applicable, their CEP comments and recommendations, generally** within six months of IRP filing. **If the CEP is not filed with the IRP, Commission staff and parties must file their comments and recommendations generally within six months of CEP filing.**

(8) 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 an order memorializing its decision on acknowledgment for CEP, which may be combined with the IRP acknowledgment order. 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:

(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 the procedural timeline directed in the order.

(10) 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.**

(11) 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:

(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;

(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.**

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(d) Includes an update that summarizes the utility's actions implementing the annual goals in the CEP filed with the most recently acknowledged IRP. The update will include, on an informational basis, 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).

(12) 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.

(13) 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.

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

Attachment 2. Staff's Changes to its Proposed Draft Rules in Response to Stakeholder Comments

For convenience, Staff's initial proposed revisions are marked in **blue** and its revisions based on Stakeholder feedback are further marked in **red**.

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. **An electric company subject to ORS 469A.415 must explain how it will make continual progress toward meeting the clean energy targets in ORS 469A.410 during the period of extension when making a request.**

(4) An electric company that is subject to ORS 469A.415 must file a CEP with 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 "up to 180 days after the IRP filing date". If the Commission grants an extension for filing the CEP, it may establish an abbreviated alternate 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, including a demonstration of making continual progress toward meeting the clean

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energy targets, the pace of greenhouse gas emissions reductions, and community impacts and benefits.

(6) 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.

(7) Commission staff and parties must file their IRP comments and recommendations, **and when applicable, their CEP comments and recommendations, generally** within six months of IRP filing. **If the CEP is not filed with the IRP, Commission staff and parties must file their comments and recommendations generally within six months of CEP filing.**

(8) 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),** ~~t~~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 an single order memorializing its decision on acknowledgment for the IRP and CEP, which may be combined with the IRP acknowledgment order 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:

(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 the procedural timeline directed in the acknowledgement order.

(10) 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**.

(11) 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:

(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 that summarizes the utility's actions implementing the annual goals in the CEP filed with the most recently acknowledged IRP. The update will include, on an informational basis, 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).~~

(12) 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.

(13) 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**.

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