

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 73

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

2019 Integrated Resource Plan.

Renewable Northwest's
Response to PGE's Motion Requesting
Waiver of Integrated Resource Plan
Guideline 2(c)

November 29, 2022

I. INTRODUCTION

Renewable Northwest respectfully submits this response to Portland General Electric's ("PGE") Motion Requesting Waiver of Integrated Resource Plan Guideline 2(c) ("Motion") filed with the Oregon Public Utility Commission on November 22, 2022.¹ Under the unique circumstances PGE has presented in its Motion, Renewable Northwest does not object. We write, however, to recommend that PGE's requested waiver be a near-vanishingly rare option to the extent it is exercised at all, and to explain why IRP Guideline 2(c) is a particularly valuable element of the Commission's approach to reviewing IRPs.

II. ANALYSIS

A. PGE's Waiver Request

On November 22, 2022, PGE submitted its Motion, requesting, "should the Public Utility Commission of Oregon (Commission or OPUC) determine that a waiver of the guideline is appropriate in this case, ... that the Commission waive IRP Guideline 2(c)." PGE explains in a footnote that:

Guideline 2(c) states that "[t]he utility must provide a draft IRP for public review and comment prior to filing a final plan with the Commission." OAR 860-027-0400(2) states "[a]s 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

¹ See OAR 860-011-420(4).

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.”

The Motion describes the current planning environment, with significant work still underway at the Commission to implement Oregon HB 2021 (2021) and establish expectations for 2023 IRP and Clean Energy Plan (“CEP”) filings. Because the environment is fluid, PGE expresses concern that “CEP materials will not be at a level of maturity by January 2023 in which PGE can provide a full draft” and that significant “gaps would also render an IRP draft incomplete and potentially misleading.”

Instead of the traditional process of a Draft IRP followed by public comment and Commission engagement, leading to the filing of a Final IRP for Commission acknowledgement, PGE proposes “to meet the intent of Guideline 2(c) through a stakeholder facilitation process that is collaborative, efficient, and responsive to both the IRP and the CEP guidelines and requirements.” The Motion discusses PGE’s IRP Roundtables and Learning Labs, suggesting that “[t]he intent of providing a draft IRP prior to filing a final IRP will be met through our IRP Roundtables.” In PGE’s view, “[s]haring the detailed information that would typically be presented in the draft IRP in digestible pieces through the IRP Roundtables and Learning Labs has proven to be a more effective approach to solicit input in an actionable way than a formal draft and written comment process.”

B. Unique Circumstances

Renewable Northwest agrees with PGE’s discussion of the fluid planning environment. The Commission, Staff, utilities, and interested parties have dedicated countless hours over the past year toward implementing HB 2021 and establishing expectations for IRPs and CEPs. Renewable Northwest has on multiple occasions expressed its particular appreciation for Staff’s efforts to run concurrent workstreams to establish timely guidance. The fact remains, however, that the IRP and CEP process resulting from that work is not yet fixed, and what elements are known have the potential to drive significant departures from traditional IRP analysis. This combination of factors is, as PGE suggests, unique.

C. The Value of Guideline 2(c)

On the other hand, Guideline 2(c) is one of the elements of the Commission’s approach to regulating integrated resource planning that is particularly valuable to the Commission, Staff, and interested parties.

The Oregon IRP process has its roots in Order No. 89-507, which established some basic principles for utilities to implement “least cost” planning. Order No. 89-507 did not include an equivalent to Guideline 2(c), but did enshrine as a core value the concept that “[t]he public and other utilities should be allowed significant involvement in the preparation of the plan.”² Order No. 89-507 guided utility resource planning for over a decade, until in 2002 the Commission issued Order No. 02-546, “open[ing] an investigation into the need for revised least cost planning requirements.” The resulting docket, UM 1056, ended up being suspended until 2005, at which point Staff kicked off the substantive proceedings with opening comments and a straw proposal for revised IRP Guidelines.³ The straw proposal included the language that would become Guideline 2(c): “The utility must provide a draft plan for public review and comment prior to filing a final plan with the Commission.”

Renewable Northwest was among the parties that engaged with the straw proposal. In joint comments with the Oregon Citizens Utility Board and Northwest Energy Coalition, “[w]e strongly support[ed] Staff’s straw proposal in this docket and applaud[ed] Staff’s thorough analysis of these complex issues.” We did not specifically address Guideline 2(c). PGE disagreed and proposed “a set of guidelines alternative to those Staff provided, proposed as changes to the original IRP order, Order No. 89-507.”⁴ In reply comments, again jointly submitted with CUB and NWECC, we pushed back:

Both PacifiCorp and PGE argue for a less prescriptive approach than Staff’s proposed guidelines, preferring instead to simply update Order 89-507. We believe there is a lot worth preserving in the 1989 Order; it was an Order far ahead of its time in terms of focus on long term issues and costs that are external to the utility. On the other hand, we support Staff’s proposal in this docket which incorporates many lessons learned over the past 15 years. We believe Staff has retained what was good from the 1989 Order while adding requirements to better reflect today’s energy issues.⁵

In its own set of reply comments, PGE continued to press for building directly on Order No. 89-507 but also, “recognizing the need for a common format to ease comparison of the numerous detailed proposals of the parties, ... provide[d] a side-by-side comparison of Staff’s proposed guidelines versus PGE’s alternative guidelines.”⁶ As an alternative to Guideline 2(c), PGE

² Order No. 89-507 at 5 (Apr. 20, 1989).

³ Available at <https://edocs.puc.state.or.us/efdocs/HAC/um1056hac14100.pdf>.

⁴ Available at <https://edocs.puc.state.or.us/efdocs/HAC/um1056hac94130.pdf>.

⁵ Available at <https://edocs.puc.state.or.us/efdocs/HAC/um1056hac125914.pdf>.

⁶ Available at <https://edocs.puc.state.or.us/efdocs/HAC/um1056hac132557.pdf>.

suggested the language: “Prior to filing of the IRP, utilities and participants should follow the schedule that best meets the needs for interaction and plan development.”

Ultimately, the Commission only converted the word “Plan” in Staff’s proposal to “IRP” in its final order adopting new IRP guidelines, Order No. 07-002: “The utility must provide a draft IRP for public review and comment prior to filing a final plan with the Commission.”

Renewable Northwest continues to believe the “lessons learned” that informed adoption of the currently operative IRP Guidelines counsel in favor of maintaining the draft IRP requirement enshrined in Guideline 2(c) under nearly all circumstances. While we very much appreciate PGE’s robust system of Roundtables and the openness of PGE’s IRP staff to feedback and outside analysis, we do not agree that a process short of a comment opportunity on a Draft IRP can truly “meet the intent of Guideline 2(c)” as PGE’s Motion suggests. Indeed, we believe the Commission effectively rejected that view in adopting Order 07-002 following the process briefly outlined above.

Moving from Draft to Final IRP concurrent with a public process overseen by the Commission is a more meaningful exercise for non-utility parties than utility-run workshops, however robust. While utility workshops provide iterative updates on the analysis that will inform the IRP, they do not offer the same depth and breadth of analysis as the IRP itself. The opportunity to provide preliminary comments can help interested parties develop more helpful and productive comments, can help the utility to anticipate and address potential concerns, and can help Staff and Commissioners to grapple with issues before the more formal acknowledgement process kicks off. Simply put, Guideline 2(c) is a valuable element of the IRP process.

D. Putting It Together

All of which is to say that Renewable Northwest appreciates PGE’s request for a waiver here, we acknowledge the unique and uniquely difficult circumstances that PGE is facing, and we do not object to PGE’s Motion. But we strongly recommend that the Commission bring a strong sense of skepticism to any future request for a waiver of the very valuable IRP Guideline 2(c).

III. Conclusion

For the reasons set forth above, Renewable Northwest does not object to PGE's Motion under the unique circumstances presented here but recommends that the relief requested by PGE be considered only with great caution and under rare conditions.

Respectfully submitted this 29th day of November, 2022,

/s/ Max Greene

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