

UM 2011 Kick Off Workshop June 14, 2019



Introduction



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- General Capacity Investigation
- UM 2011 Approach
- Workshop Purpose
 - What is Capacity?
- Process
 - Investigation Phases
 - After Workshop

Logistics



- Location
 - Portland State Office Building
 - Conference Room 1D-70
 - 800 NE Oregon St.,
 - Portland, OR 97232
- Phone: 1-866-390-1828 or 216-706-7075
 - Access Code: 6739703

Today's Agenda

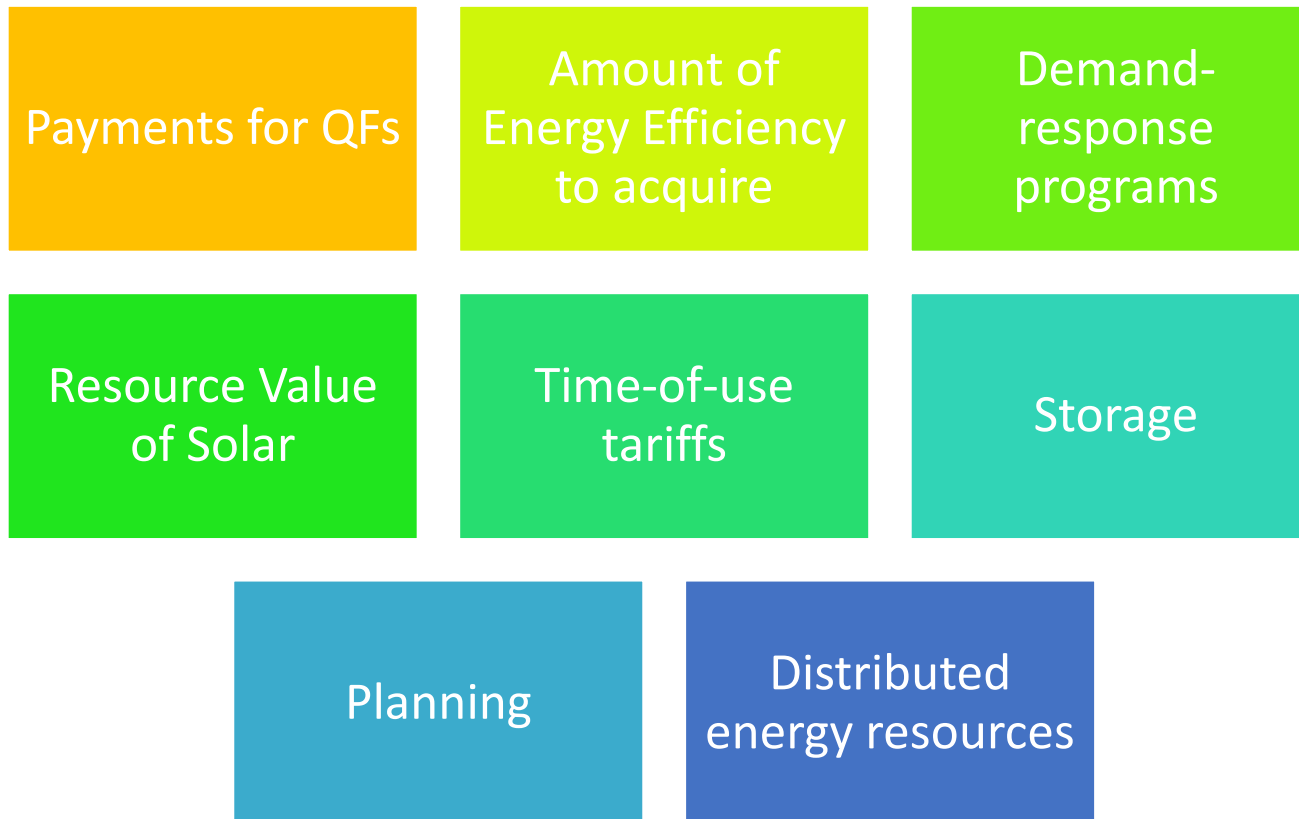


- Utility Presentations on Capacity
 - Idaho Power
 - PacifiCorp
 - PGE
 - NW Natural
- Regional Stakeholder Perspective on Capacity
 - NWECC
- Regional Planning Group Presentation on Capacity
 - Northwest Power and Conservation Council

General Capacity Investigation



- Capacity need and capacity values are used in multiple areas



UM 2011 Approach



Define Capacity

- What is capacity? How do utilities define it? Are there differences in flexible vs firm? By type (dispatchable, demand-side, variable intermittent resource (VIR), distributed energy resource (DER), storage, market contracts, other)

Examine Capacity Acquisition

- How do utilities acquire capacity, for future/long-term, mid-term, short-term, seasonal, hourly, other?
- What methods of acquisitions – RFPs, bi-lateral negotiations, market purchase, capacity is ‘put’ to utility?

Establish value methodology

- Peak-reduction, load shifting, delay in generation or T&D projects, ancillary services

End Results

- End product is a series of recommendations on how the Commission should treat capacity
 - How to appropriately value resources: Dispatchable vs non-dispatchable, Energy Efficiency, intermittent resources, QFs, future products and services

Phase 1: What is Capacity?



- Common understanding of ‘capacity’.
- Workshop to examine issues such as:
 - How do the resource characteristics such as dispatchability, firm capability to meet peak needs, commercially operational date vs timing of system need, and physical location on the system (T&D circumstances) factor in to the definition of capacity?
 - What system operational needs does capacity meet?
 - In the evolving energy grid is there a difference between flexible and firm capacity?
 - Do different resource types bring different capacity levels or values?

Process - Investigation Phases



Phase 1: Define Capacity

Phase 2: Identify Capacity Acquisition

Phase 3: Valuing Capacity

Timeframe (tentative)	June 2019 – July 2019	August 2019 – September 2019	Q4 2019 – Q1 2019
Goal	Develop a knowledge-base for defining capacity.	Develop a knowledge-base for identifying capacity needs.	Develop modeling methodology to value capacity in all its forms.
Milestones	workshops to define capacity types (dispatchable, demand-side, variable intermittent resource (VIR), distributed energy resource (DER), storage, market contracts, other) and distinctions between operational vs mandated capacity. capacity.	needed to define capacity acquisition (future, seasonal, short-term, markets, EIM, hourly, other). Capacity needs.	define capacity value (peak-reduction, load shifting, delay in generation or T&D projects, ancillary services) capacity value and method for incorporating in current capacity-related dockets.
Key Objective	Common definition for defining capacity.	Final proposal for determining Capacity need.	Commission acknowledgement of final report with recommendations on approach for capacity related issues.

Process – After Workshop



- Staff to prepare draft language on defining capacity
- Language to be circulated to parties for comments
- Staff to potentially present definition at a Regular Public Meeting
- Phase 2 – Capacity Acquisitions