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Oregon Public Utility Commission  
201 High St. SE, Suite 100  
Salem, OR 97301-3398

Re: Docket LC 82: Energy Advocates’ Round 1 Comments on PacifiCorp’s Clean Energy Plan  
and Integrated Resource Plan

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**I. INTRODUCTION**

Rogue Climate, NW Energy Coalition, Oregon Just Transition Alliance, Verde, Green Energy Institute at Lewis & Clark Law School, Oregon Solar + Storage Industries Association, Climate Solutions, Columbia Riverkeeper, Hood River County Energy Council, Coalition of Communities of Color, Metro Climate Action Team, Sierra Club, and Multnomah County Office of Sustainability (Energy Advocates) thank the Oregon Public Utility Commission (Commission) for considering our Round 1 Comments on the 2023 Integrated Resource Plan (IRP) Clean Energy

Plan (CEP) that PacifiCorp filed on May 31, 2023 in Docket No. LC 82. Our goal with these comments and recommendations is to ensure that PacifiCorp's implementation of HB 2021 leads to a clean and just energy transition. We encourage the Commission to 1) direct the Company to adopt the Energy Advocates recommendations below, and 2) issue a non-acknowledgment of the CEP, unless PacifiCorp adopts our recommendations, in light of the varied and complex issues addressed below.

We summarize and organize our recommendations as near-term or long-lead to be responsive to the Commission's request to understand what we recommend be amended in this CEP/IRP or addressed in the near future, versus what guidance we consider necessary for future CEPs and IRPs.

### **A. Near-term actions**

We recommend that the Commission direct PacifiCorp to:

- Amend its Community Based Renewable Energy (CBRE) Project Pilot action to include a more detailed and timely strategy to improve the resilience of vulnerable communities during energy outages.
- Adopt a plan to improve its interconnection timelines.
- Include in its action plan actions and targets for investments that advance positive outcomes on its CBIs
- Adopt actions in the 2023 Clean Energy Plan (CEP) action plan that target reductions in disconnections, starting in the census tracts that it has identified as most vulnerable to disconnection.
- Replace its environmental Community Benefit Indicators (CBI) or adopt an additional and meaningful environmental CBI in the 2023 CEP (i.e. air quality in communities with thermal generation).
  - If PacifiCorp continues to track its current environmental impacts CBI, direct PacifiCorp to consider a metric that tracks system emission reductions.
- Adopt in its 2023 CEP an additional energy equity CBI that tracks environmental justice communities' access to clean energy.
  - PacifiCorp's action plan should include actions that positively impact this new environmental equity CBI as well as lead to reductions in its current CBI tracking energy burden.
- Adopt a 10% adder to roughly estimate the full suite of benefits of CBRE.
- Complete a sensitivity analysis assuming the adoption of more aggressive federal and state policies. This could be accomplished through raising the medium CO2 price to more accurately reflect the risk of more stringent policies.
- Reassess its energy efficiency and demand response programs to better capture the current policy landscape and the additional co-benefits of energy efficiency, as well as to address the concerning decline in demand response included in the 2023 IRP.
- Complete its 2022 all-source request for proposal (RFP) as well as move forward with a 2023-2024 all-source RFP.

## **B. Long-lead or future action items**

- Community engagement:
  - Future CEPs should include more details on the Company’s community engagement efforts.
  - PacifiCorp should strengthen its community engagement efforts by collaborating with energy justice stakeholders, and by evaluating and adjusting them based on participant feedback.
  - PacifiCorp should improve the accessibility and readability of its CEP as well as better publicize the existence of tools related to the CEP process.
- CBIs:
  - The Commission should direct PacifiCorp to track the percent of Oregon emissions achieved through total systems reduction versus a reallocation of emissions attribution to other states.
  - PacifiCorp should explore in future CEPs what sources and levels of granularity can help it better understand the energy experience of vulnerable populations.
  - PacifiCorp should overlay its reliability data with data that illustrates the vulnerability of people living in that particular census tract or block.
  - Future CEPs should consider resilience CBIs and metrics related to community resilience, in addition to system resilience.
  - Future CEPs should overlay demographic data with the metrics for CBIs, like PacifiCorp did in the 2023 CEP with “Decrease in the number of residential disconnections.”
  - Future CEPs should include a CBI focused on increasing the number of local environmental justice and low-income community members in clean energy apprenticeships and training programs in Oregon
- Resiliency
  - Incorporate an analysis of wildfire risk, public safety power shutoffs, and Wildfire Protection Plans in its resiliency section in future CEPs.
- Community-Based Renewable Energy:
  - PacifiCorp should adopt a more robust approach to understanding potentially available CBRE, rather than relying heavily on existing programs, and should include net-energy metering programs as well as residential battery storage programs in its CBRE potential.
  - PacifiCorp should identify barriers preventing CBRE development under current programs and identify plans to address these barriers that are within the Company’s control.
- Resource Planning
  - PacifiCorp’s future CEP/IRP analysis should incorporate a much greater level of ambition and innovation - especially in regards to small-scale renewables and new smart grid technologies, such as grid enhancements, distributed generation and storage, and smart appliances with integrated storage.
  - PacifiCorp should work with the Energy Trust of Oregon (“ETO”) to develop new energy efficiency and demand response programs for new large customers.

- PacifiCorp should continue to pursue, and the Commission should support, small-scale renewable projects, particularly community and rooftop solar paired with storage in areas with high distribution system congestion, which could simultaneously improve reliability and resiliency.
- PacifiCorp should give greater consideration to commercially-viable clean energy resources that can address reliability challenges, including off-shore wind and advanced geothermal.
- PacifiCorp should consider whether Oregon-specific resources, beyond small-scale renewable projects, can help achieve HB 2021 emission reduction targets.
- PacifiCorp should expand its technology development goals beyond the one nuclear technology that it has identified for long-term development.
  - This new nuclear design lacks NRC licensing or local permitting, and, if there are delays - as are typical for new nuclear technologies, the generic category of non-emitting peaking resources is one fallback option.
  - Future CEP/IRPs should explicitly consider development options for alternatives, such as off-shore wind, long-duration storage technologies.
- PacifiCorp should expand future CEP/IRP's to look beyond storage co-location near generation sites and to identify substations and transmission lines that can use storage to flatten load peaks and avoid congestion and costly transmission and distribution upgrades.

## **II. COMMUNITY ENGAGEMENT**

The Commission should direct PacifiCorp to adjust its 2023 CEP/IRP action plan to be more responsive to the community feedback that it references in the CEP. The Company mentions high-level learnings of a number of community-engagement forums and efforts, like the survey it conducted.<sup>1</sup> However, despite the time and intention that went into creating the survey and conducting interviews, the results do not appear to be mentioned elsewhere in the plans, and it is unclear if the Company is taking actions to be responsive to the concerns that the survey identified. The Company's action plan and CEP/IRP should show how it is responsive to community feedback.

### **A. The CEP should more robustly discuss community engagement.**

Future CEPs should paint a fuller picture of the Company's community engagement efforts. Assessing the Company's responsiveness to community input requires more information on the engagement forums it held beyond the high-level descriptions in the 2023 CEP. Information that would be helpful include: how many individuals participated (outside of PUC and Company staff), what organizations and communities were represented, how the engagement efforts were structured (i.e. time, place, language accessibility), a summary of what was discussed, and,

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<sup>1</sup> PacifiCorp 2023 Clean Energy Plan ("CEP") at 7-8.

importantly, how the Company sought to incorporate feedback. The next CEP could include that information as an appendix.

The Tribal Nations Engagement Series is an example of a community engagement forum we wish the CEP had helped us better understand. While we are encouraged by the Company's efforts to create it, we cannot assess the quality or effectiveness of this and other forums without more information. In summary, we expect the Company to treat community engagement as robustly as it treats other topics in its CEP, included in the amount of information about it that the Company includes.

**B. PacifiCorp should strengthen its community engagement efforts by collaborating with energy justice stakeholders.**

For future CEPs, we encourage PacifiCorp to leverage engagement with energy justice stakeholders to increase the robustness of its community engagement. For example, Portland General Electric collaborated with Verde, OJTA, NWECA, CCC, Rogue Climate, and Multnomah County Office of Sustainability to bring an exercise aimed at identifying CBI priorities to the Community Advocates Cohort, a group of grassroots energy advocates that we have referred to and who have participated in other HB 2021 implementation forums (i.e., UM 2273, LC 80, UM 2225). It is possible that PacifiCorp may not have sought that collaboration as it had already stood up its Community Benefits and Impacts Advisory Group (CBIAG). However, input from the Cohort could still have strengthened PacifiCorp's CEP, so we encourage PacifiCorp to pursue that type of collaboration in future CEPs.

We also appreciate PacifiCorp's interest in leveraging the CEP engagement series in which multiple energy justice stakeholders participate to "explore additional community input on the [CEP] elements."<sup>2</sup> We encourage the Company to identify what elements it will explore and on what timelines.

**C. PacifiCorp should evaluate the effectiveness of its community engagement efforts.**

Future CEPs should include findings from efforts by the Company to measure the effectiveness of their engagement venues. Specifically, PacifiCorp should create opportunities for participants in those venues to evaluate the engagement opportunity. Examples include a checklist of issues that CBIAG participants could use to measure progress and anonymous surveys<sup>3</sup> for participants. The surveys should allow members to freely discuss whether they find the space useful, whether they feel they influence any Company outcomes, whether they have clarity over the goals for the space, whether they feel they have clear accountability mechanisms in place, and how they would improve the space. We encourage continued engagement by Staff in

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<sup>2</sup> *Id.* at 10.

<sup>3</sup> We understand that PacifiCorp may be in the process of launching a participant evaluation opportunity in its UCBIAG and appreciate the Company's efforts to receive feedback.

making sure that engagement spaces like the CBIAG are meaningful and respectful of the time and input of people who attend.

**D. PacifiCorp should improve the readability of its CEP and better publicize the existence of tools related to this process.**

The Commission should direct the Company to improve the readability of future CEPs. The text of the CEP was often hard to comprehend for community members and practitioners alike. For example, with the Community Advocates Cohort, we read and reflected on the Community Engagement and Community Benefit Indicators chapters of the CEP.<sup>4</sup> Since participants in the exercise remarked on how confusing we found the text, we ran portions of each section by a readability scoring website that confirmed that the text was indeed written at a college graduate/graduate student level. This level of complexity directly contravenes the Commission's rule requiring that CEPs "be written in language that is as clear and simple as possible, with the goal that it may be understood by non-expert members of the public."<sup>5</sup> We encourage the Company in future CEPs to also evaluate the complexity of its writing and adjust it to make it more accessible and compliant with OAR 860-027-0400(5).

We also encourage PacifiCorp to better disseminate its efforts to create tools and spaces to enhance accessibility of its planning processes. For example, PacifiCorp's CEP states that the Company created a consolidated information hub.<sup>6</sup> However, many of us only learned about the hub while reading the CEP in preparation for these comments. Since we are an audience highly engaged with the CEP, we question whether others less engaged with the Company's planning processes would have found out about this hub. We encourage PacifiCorp to better disseminate information about the existence of this type of helpful resource in the future.

**III. COMMUNITY BENEFIT INDICATORS (CBIs)**

We structured our comments and recommendations in this section largely based on the CBI categories that the Company outlines in its CEP,<sup>7</sup> and start with comments that are generally applicable to the Company's CBIs.

**A. Feedback applicable throughout PacifiCorp's CBIs**

We encourage the Company to explore in its next CEP what sources and levels of granularity can help it better understand the energy experience of vulnerable populations. PacifiCorp's CEP seeks to understand a number of CBIs at the census-tract level. While this level of granularity represents progress compared to prior planning exercises, census-tract level data can obscure small communities within a census tract. As a result, we encourage the Company to continue to enhance the tools it relies on to understand how it can better serve vulnerable communities. We

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<sup>4</sup> We plan to file reflections from that group exercise in this docket.

<sup>5</sup> OAR 860-027-0400(5).

<sup>6</sup> CEP at 11.

<sup>7</sup> CEP at 18, Table 3.

recommend that, for its next CEP, PacifiCorp explore tools like EJScreen as well as other tools developed to advance our understanding of environmental justice community impacts, and that PacifiCorp uses census blocks rather than census tracts, as it does in its Transportation Electrification Plan. A low-income needs assessment could also be a powerful tool in that regard.

Importantly, we recommend that the Company identifies actions and targets for investments that advance positive outcomes on its CBIs. Under this recommendation, the company would track the CBI, corresponding metrics, and goals or targets. For instance, for a CBI “Increase number of environmental-justice and low-income communities’ representation in clean energy,” a goal or target could be “five new apprenticeship programs in three rural communities” and the metric could be to report pre and post-apprenticeship educational program participation.

## **B. Resilience**

### **1. Improve resilience of vulnerable communities during energy outages**

(a) PacifiCorp’s CBRE Project Pilot needs details and a sense of urgency.

The Commission should direct PacifiCorp to adopt in its 2023 action plan a more assertive, timely, and detailed action to advance this CBI and improve the resilience of vulnerable communities during energy outages. The CEP outlines a potentially promising program to support the development of CBRE projects in prioritized communities as a strategy to advance this CBI.<sup>8</sup> However, the CEP also lacks key details like a timeline for the program’s implementation or how the Company plans to ensure that these CBRE projects materialize. The Action Plan includes an action to “develop a straw proposal for a Community Based Renewable Energy Project Pilot focused on a renewable energy source paired with battery energy storage to develop community resilience hubs.”<sup>9</sup> The community impacts of resiliency concerns in PacifiCorp’s service territory are too great for such a tentative action.

We recommend that the Commission direct PacifiCorp to amend its CBRE Project Pilot action to include a swift timeline and details like the number of communities to be served. The Company should identify when the straw proposal will be developed, how and when stakeholder feedback will be accepted, and when it will submit a final proposal to the Commission. The pilot program should focus on the most vulnerable communities, overlaying vulnerability to resilience events and other factors of vulnerability, and should be implemented within the next 18 months. PacifiCorp could follow the example of other utilities that are already moving to address resiliency in meaningful and impactful ways. For instance, Green Mountain Energy in Vermont submitted a plan to its regulators to install energy storage in every customer’s home by 2030. PacifiCorp must also develop and execute a concrete proposal.

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<sup>8</sup> CEP at 19.

<sup>9</sup> *Id.* at 85.



(b) Swift action and the development of a stronger framework are not mutually exclusive.

PacifiCorp can begin to act on CBRE projects that improve resilience of vulnerable communities while it develops a stronger framework. We appreciate PacifiCorp's interest in a discussion of what relevant socioeconomic factors should be accounted for when prioritizing disadvantaged communities for reliability analyses.<sup>10</sup> However, we discourage the Company from refraining from beginning to address known resilience concerns while it undertakes that discussion. The Company could rely on a combination of existing tools like EJScreen, Census Tracts or Blocks, SAIDI, SAIFI, and CAIDI to identify which vulnerable communities with resiliency and other vulnerability challenges to prioritize in its proposed Community Based Renewable Energy Project Pilot. At the same time, the Company could take steps to develop a framework for a longer-term implementation of programs to advance resiliency in its service territory.

(c) Actions to improve this resiliency CBI would support already vulnerable communities.

PacifiCorp must take urgent action to improve the resilience of vulnerable communities during outages in order to better serve communities most impacted by reliability events. The CEP shows that these are largely rural communities often facing other factors of vulnerability.<sup>11</sup> Acting to better serve these environmental justice communities would also be responsive to the Company's survey in which respondents identified reducing the impact of climate change and preparing for natural disasters as important benefits of an energy future.<sup>12</sup>

Future CEPs should also mention of public safety power shut offs (PSPS) and of community resource centers (CRCs) and other services, if any, that the Company offers during that type of power interruption, such as the reimbursements of SNAP benefits for those who lost food items covered by the program during a PSPS.

(d) PacifiCorp should look at resiliency more broadly in future CEPs.

PacifiCorp appears to have adopted this CBI to be responsive to the Energy Advocates' proposed CBI "increasing neighborhood safety."<sup>13</sup> We strongly support efforts to improve the resilience of vulnerable communities in energy outages, yet the vision of our originally recommended CBI focused on actions like supporting investments in solar powered street lights or motion censored street lights for unlit streets and phone charging stations at hospitals and other community and public safety locations. These types of investments seem to fall outside of PacifiCorp's proposed CBI, yet are the types of localized projects that can increase a community's resilience and safety during disruptions or disasters. We encourage PacifiCorp to adopt a CBI focused on neighborhood safety in future CEPs.

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<sup>10</sup> *Id.* at 22.

<sup>11</sup> Rural communities are recognized as environmental justice communities in HB 2021.

<sup>12</sup> CEP at 8.

<sup>13</sup> *Id.* at 16.

## **2. General comments on PacifiCorp's Resilience CBIs**

In discussing its resilience CBIs, PacifiCorp states that we may see increases in the duration or frequency of outages as a result of unexpected events.<sup>14</sup> We appreciate that reality and encourage the Company to list and explain in future CEPs what events led to increases in the duration or frequency of outages so that stakeholders have awareness of what factors impacted the metric in a particular year.

We encourage the Company to overlay its reliability data<sup>15</sup> with data that illustrates the other measures of vulnerability for people living in that particular census tract or block (i.e. income-level, proportion of environmental justice communities, proportion of non-English speaking households, etc.). This recommendation is consistent with our recommendations on PacifiCorp's pilot above. In addition to the tools that we outlined above, we point to local government efforts to overlay community vulnerability over data associated with specific risks.<sup>16</sup>

Future CEPs should consider CBIs and metrics related to community resilience, in addition to system resilience. The CEP and PacifiCorp's CBIs focus largely on the Company's system rather than on the experience of the communities that the Company serves, and only speak to approaches to increasing resilience in terms of CBRE projects. CBRE projects are an important tool, but much is missing in the CEP about the ways in which communities experience resilience, or lack thereof, that are not tied to CBRE projects. We encourage PacifiCorp to explore how it could improve community resilience to an outage beyond CBRE projects. For example, how can SAIDI/SAIFI/CAIDI scoring and data be connected with qualitative data about the lived experience during outages to paint a more accurate picture of outages and of the actions that can make communities more resilient to those outages?

### **C. Health and Community Well-Being CBIs Should be Tied to Specific Actions to Reduce Disconnections.**

The Commission should direct PacifiCorp to adopt actions in the 2023 CEP that target reductions in disconnections. PacifiCorp adopted a "decrease in the number of residential disconnections" as a Health and Community Well-being CBI, with the number of residential customer disconnections as the metric.<sup>17</sup> However, it is not clear what actions in the CEP would positively impact this CBI. Policy developments outside of the CEP should will disconnections,<sup>18</sup> but the Company should also adopt actions in the CEP that further progress on this CBI.

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<sup>14</sup> *Id.* at 20.

<sup>15</sup> *Id.*

<sup>16</sup> Multnomah County has used a number of resources that overlay particular risks with community vulnerability indicators. These include its recent *Environmental Justice Indicators Zine* [https://multco-web7-psh-files-usw2.s3-us-west-2.amazonaws.com/s3fs-public/2023%20EJ%20Zine%208.5%20x%2011%20Final\\_0.pdf](https://multco-web7-psh-files-usw2.s3-us-west-2.amazonaws.com/s3fs-public/2023%20EJ%20Zine%208.5%20x%2011%20Final_0.pdf), as well as *Shaken: Dimensions of Disaster Vulnerability in Multnomah County*, which overlays social and seismic vulnerability <https://multco.maps.arcgis.com/apps/Cascade/index.html?appid=e2a42aebab8644bfdbdb6dcc46722898>.

<sup>17</sup> CEP at 18.

<sup>18</sup> We are eager to see impacts of the HB 2475 discount program and the Division 21 rules update on this indicator but consider action within the scope of HB 2021 compliance critical.

The Company could start by dedicating resources to a CBRE/energy efficiency approach in areas that it has identified as most impacted by disconnections.<sup>19</sup> The data in the CEP alone points to areas where the Company should prioritize investments to address disconnections. For example, five of the top ten census tracts with the highest residential customer disconnection are in Jackson County, and nine are in largely rural counties. We recommend that the Commission directs the Company to craft approaches to reducing disconnections based on the vulnerability data that it has identified.

Finally, we commend PacifiCorp's efforts to overlay disconnection data with demographic information to help us better understand the communities most impacted by disconnection. In future CEPs, we encourage the Company to overlay demographic data with the metrics for other CBIs.

#### **D. PacifiCorp Should Adopt a Meaningful Environmental CBI Beyond Simply Tracking CO2 Emissions.**

Our primary recommendation in relation to PacifiCorp's environmental CBI is that the Commission direct PacifiCorp to either replace its environmental CBI or adopt an additional and meaningful environmental CBI in the 2023 CEP. The Company adopted "Report CO2 emissions associated with Oregon retail sales and percent of renewable and nonemitting resources serving Oregon retail customers" as its environmental CBI. While this CBI is consistent with a CBI in the initial list that the Energy Advocates suggested, we have long since been providing feedback to PacifiCorp on how tracking what is basically compliance with the law is insufficient. We have suggested a CBI tracking air quality impacts as an alternative, but we do not see our suggestion reflected in the CEP nor a reason for PacifiCorp's decision to continue to track compliance with HB 2021 as its only environmental CBI. We reiterate our recommendation that instead of, or in addition to, GHG emission reductions, PacifiCorp tracks air quality impacts as an environmental CBI.

If PacifiCorp continues to track its current environmental impacts CBI in the 2023 CEP, we recommend that the Commission directs PacifiCorp to consider a metric that tracks actual system emission reductions. Our initial list of suggested CBIs included the metric "Phase-out fossil fuel resources." PacifiCorp instead adopted "Report CO2 emissions associated with Oregon retail sales and percent of renewable and non-emitting resources serving Oregon retail customers." These are not synonymous metrics.

We have a few requests and comments in relation to the Company's approach to its current environmental impacts CBI: First, we request that PacifiCorp's reply comments outline its rationale for rejecting it. Second, we point out that PacifiCorp's metric falls short of our proposal considering how PacifiCorp manages its system and how much of the reduced emissions we understand may be a result of what is allocated to Oregon rather than the phase out of fossil fuels and real emissions reductions. Third, we request that the PUC direct PacifiCorp to track

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<sup>19</sup> CEP at 23.

the percent of emissions reductions in Oregon that are achieved through total systems reduction vs. reallocation of emissions attribution to other states.

#### **E. PacifiCorp’s Energy Equity CBIs Should Include Distributional and Intergenerational Equity.**

We encourage the Commission to direct PacifiCorp to adopt in its 2023 CEP an additional energy equity CBI that tracks environmental justice communities’ access to the benefits of clean energy. We are supportive of measuring and understanding energy burden, but having energy burden as the only energy equity CBI reflects a limited understanding of energy equity. Distributional justice is a central tenet of energy justice that focuses on “whether all equally share in the benefits and burdens of the energy system.”<sup>20</sup> Historically, environmental justice communities have been saddled with the negative externalities of our energy system, while being excluded from its benefits. This has also been true for benefits associated with clean energy, like green economy jobs and access to technologies like rooftop solar.

PacifiCorp risks repeating that pattern of environmental-justice-community exclusion in its transition to clean energy if it does not incorporate energy justice principles like distributional justice in its plans and strategies to comply with HB 2021. Hence our recommendation that this 2023 CEP include energy equity CBIs that measure environmental justice communities’ access to clean energy. Importantly, PacifiCorp’s action plan should also include actions that advance this new environmental equity CBI as well as actions that address energy burden.

Finally, we seek to understand whether PacifiCorp’s 2021 survey is the best data source for measuring energy burden. Given the minimal detail about the survey in the CEP, we cannot evaluate whether this data source could have flaws like self-selection by people willing to answer a utility survey.

#### **F. PacifiCorp’s Economic Impacts CBI Should Increase Community-Focused Efforts and Investments with a Focus on Environmental Justice Communities.**

We recommend that the Commission direct PacifiCorp to better link this CBI and its metrics to creating opportunities and benefits for environmental justice communities. We appreciate the likely intention behind the CBI that PacifiCorp adopted.<sup>21</sup> However, the CBI is vague and not responsive to our recommendation for a CBI focused on increasing the number of local environmental justice and low-income communities’ representation in clean energy apprenticeships and training programs in the state.<sup>22</sup> The intent behind the Energy Advocates’ proposed CBI is to expand employment and apprenticeship opportunities, as well as investments that bring economic opportunities, with a focus on environmental justice communities rather than only on monetary investments by the Company. A focus on

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<sup>20</sup> Initiative for Energy Justice, *The Energy Justice Workshop* at Section 1, available at <https://iejusa.org/section-1-defining-energy-justice/>.

<sup>21</sup> PacifiCorp adopted the CBI “Increase community-focused efforts and investments.”

<sup>22</sup> CEP at 17.

communities at risk of being left out of the benefits of energy systems, like those currently underrepresented in the green energy economy, is essential to the energy transition.

The metrics that PacifiCorp adopted are also insufficient as they do not offer any sense of how PacifiCorp is working to bring economic benefits to communities, especially EJ communities.<sup>23</sup> For instance, although electric vehicles (EVs) can offer underserved communities environmental benefits, it is unclear how public charging stations for EVs bring training or job opportunities to EJ communities. Further, transportation electrification should extend to the transition of electric public transit systems. The metrics also falls short on PacifiCorp's actual, incremental investments pursuant to HB 2021 implementation rather than reliance on existing programs and levels of investment. At the very least, PacifiCorp's metrics should include demographic information to understand the impact of PacifiCorp's actions on advancing opportunities for low-income and other environmental justice communities. Metrics like the Demand-side Management (DSM) program headcount on its own offer little information.<sup>24</sup>

We also appreciate knowing that PacifiCorp has supported one pre-apprenticeship program but it is unclear to us whether this program was planned prior to HB 2021 or whether it is an initiative responsive or somehow enhanced due to the Company's obligations under HB 2021. Additional narrative and demographic data around this and future apprenticeship programs would be useful.

#### **IV. RESILIENCY**

The Energy Advocates appreciate PacifiCorp's identification of local community and resilience stakeholder input as fundamental to the process of defining resiliency, establishing resiliency goals, and developing metrics for tracking electrical system and community resilience. Centering community in resilience planning will be crucial as PacifiCorp faces the dual challenges of transitioning its grid to clean energy while planning for increased drought, wildfires, and other natural disasters in its service territory. A community centered approach must include a critical analysis of PacifiCorp's ability to minimize power outages and to identify, support, and invest in CBRE projects, microgrids, community resilience hubs, and other measures that increase community resilience. These resources are essential tools for bolstering resilience. With this context in mind, the Energy Advocates make the following recommendations:

##### **A. PacifiCorp Should Amend the Definition of Resilience to Ensure that it Centers Communities.**

In its subsection on "Defining resiliency and resiliency goals," PacifiCorp refers back to its resiliency definition from Chapter II.<sup>25</sup> We recommend that, rather than referencing a previous

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<sup>23</sup> PacifiCorp adopted the following metrics: Headcount of DSM program delivery staff and grants, public charging stations, pre-apprenticeship/educational program participation, and resource development and workforce spend.

<sup>24</sup> *Id.* at 27.

<sup>25</sup> *Id.* at 30.

section, PacifiCorp lays out the definition of resiliency again. This minor redundancy would assist with the readability, clarity, and simplicity of the CEP, which is already a complicated document, making it more consistent with PacifiCorp's obligations under OAR 860-027-0400(5). As a general rule, we encourage PacifiCorp to make the various sections of the CEP more user friendly.

We offer the following edits to the resilience definition to make the community resilience aspect more robust:

Resilience is the ability of power systems, including both utility scale and distributed resources, *and the communities they serve* to withstand and rapidly restore power delivery ~~to customers~~ following non-routine disruptions of severe impact or duration. Resilience includes the ability to withstand and recover from deliberate attacks, accidents, or naturally occurring events such as earthquakes or catastrophic wildfires.

In addition, the lack of discussion about PSPS in the CEP is surprising. Given the significant potential impact to communities from the utility's decision to shut off or preserve power when it determines there is an elevated risk of wildfire, dialogue with impacted communities is essential. Advocates understand the complexity that PacifiCorp faces in making these decisions, and strongly encourage ongoing conversations with likely impacted communities, including on community-preferred pathways for mitigating future risks. While PacifiCorp files with the PUC Wildfire Protection Plans, the utility's wildfire response is an important aspect of resiliency that should be better addressed in future CEPs.

#### **B. PacifiCorp Should Ensure that its Risk Analysis Framework Includes a Breadth of Factors.**

PacifiCorp proposes to rely in part on the report by the US Dept. of Energy's Grid Modernization Lab Consortium (GMLC Report) for developing resilience metrics, defining resilience, and providing a methodology for assessing electric system and community resilience for resilience related programs.<sup>26</sup> As we discussed in Section 3.B of these comments, PacifiCorp proposes to create a community resilience score to identify and prioritize census tracts for analysis of system performances including outages and major events. The company would then conduct a risk-spend efficiency or cost-benefit analysis to inform project planning and prioritization.

We strongly recommend that PacifiCorp select factors for these various analyses related to the community aspects of resilience, including:

- Time and duration of possible power outages
- Resources within the community, including resilience hubs and microgrids, that can serve community needs during outages

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<sup>26</sup> *Id.*

- Long-term cost comparisons of microgrids and CBRE projects versus other types of improvements. For example, a recent study from Berkeley Lab<sup>27</sup> found that distributed resources provide a highly cost effective resilience value, and that such investments may reduce the long run costs of the energy transition across the system.

## V. COMMUNITY-BASED RENEWABLE ENERGY

We encourage the Commission to direct PacifiCorp to adopt more robust community-based renewable energy (“CBRE”) actions, including actions that advance the CBIs that the Company identified. PacifiCorp’s CBRE section includes helpful context on a number of efforts that state agencies, other actors, and the Company have taken outside of the context of clean energy planning. While this context is helpful, the Company’s efforts to identify CBRE potential in its territory fell short of our expectations. For a future CEP, we encourage the Company to undertake a more robust effort to understand the CBRE potential in its Oregon service territory. Meaningful action on CBRE is particularly important for PacifiCorp given the nature of its Oregon service territory and how climate change impacts are putting pressure both on the Company’s infrastructure and on the communities it serves.

### A. PacifiCorp’s CBRE Inventory and Analysis Should Look Beyond Currently Existing Programs.

The Commission should direct PacifiCorp to adopt a more robust approach to understanding potentially available CBRE in future CEPs. The Company’s CBRE inventory and plans rely heavily on existing programs and paths for CBRE development. However, some of those paths either are of small scale or have had very limited success. For example, the Blue Sky Program grants offer meaningful community benefits<sup>28</sup> but their scale is small.<sup>29</sup> Similarly, only two community solar projects are operational in PacifiCorp territory in the seven years since the passage of SB 1547.<sup>30</sup> Still, the Company does not acknowledge limitations in scaling some of its programs or barriers to development that programs in its inventory face, including some that we understand may be within PacifiCorp’s control.

PacifiCorp’s CBRE inventory for its next CEP should include net-energy metering (NEM) systems. While we NEM systems may not help the Company achieve its small-scale renewable goals, they still appear to meet the definition of CBRE in HB 2021. PacifiCorp’s CBRE inventory should also include any storage that may materialize as a result of the residential battery storage program that the Company discussed with a number of advocates a few months ago.

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<sup>27</sup> <https://newscenter.lbl.gov/2023/06/15/how-microgrids-can-help-communities-adapt-to-wildfires/>

<sup>28</sup> More information about examples that describe the project and related community benefits would help understand potential benefits from future projects.

<sup>29</sup> CEP at 38.

<sup>30</sup> *Id.* at 37.

## **B. PacifiCorp Should Recognize the Broad Benefits of CBRE, Beyond a Levelized Electricity Cost Comparison.**

The Commission should direct PacifiCorp to reassess its analysis of CBRE to account for its full suite of benefits, including those described in the CEP. Currently, PacifiCorp's analysis appears to overlook the benefits of CBRE. While the Company agrees that CBRE provides important community benefits, it focuses on levelized electricity costs and on how CBRE projects are more expensive than utility-scale resources, stating that there is no consensus on how to pay for these above-market costs.<sup>31</sup>

PacifiCorp's analysis is flawed if it does not recognize the many benefits of CBRE projects that it currently appears to overlook. The CEP identifies several potential benefits related to CBRE projects, such as emissions reductions, deferral of upgrades on local distribution and transmission infrastructure, reduced fuel costs, stable monthly energy bills, and local workforce employment opportunities.<sup>32</sup> Missing from this list is reduced air pollution and the accompanying health benefits for people living close to existing fossil-fueled power plants. PacifiCorp further notes that if CBRE projects are paired with energy storage resources (e.g., battery storage), they would provide additional benefits, including the potential to: provide backup power during system outages, shift load from peak to off-peak periods; provide additional energy and capacity during peak load periods; reduce demand during peak load periods; and create potential economic value from electricity price arbitrage.<sup>33</sup> However, its CBRE potential study fails to recognize these benefits, understating the value that CBRE projects bring to its system and to the communities it serves.

PacifiCorp's narrow focus on the levelized electricity cost of CBRE supports our concern with a history of slow walking action, particularly when it comes to resources that do not come with any or much of an economic incentive to the Company.<sup>34</sup> The reliability and resilience value of CBRE can benefit the system by relieving stresses in specific areas so that the grid has greater flexibility and stability. As the Company acknowledges, CBRE can also support continued operation of critical facilities, such as water or wastewater facilities, health care facilities, emergency response facilities, as well as electrical stability for evacuation centers, and community resilience hubs. The Company should not underestimate the critical nature of these resiliency benefits.

We urge PacifiCorp to more strongly support the transition of their traditional system architecture into a Smart Grid, as defined in Appendix E of the IRP. We also urge PacifiCorp to more strongly support rooftop and community solar programs and CBRE projects coupled with strategic investments in battery storage systems at critical substations that provide the resilience, reliability, load leveling and capacity value without adding T&D assets.

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<sup>31</sup> *Id.* at 49.

<sup>32</sup> *Id.* at 46.

<sup>33</sup> CEP at 46.

<sup>34</sup> Worrisome examples include the Company's limited efforts to explore the value of storage pursuant to HB 2193 (2015) and PUC Order No. 17-291, as well as the very limited success of Community Solar in the Company's service territory.



### **C. PacifiCorp Should Adopt a 10% Adder in this CEP to Reflect the Full Suite of Benefits of CBRE.**

PacifiCorp should update its CBRE analysis to better reflect the benefits of CBRE. The CEP and IRP downplay the many grid benefits of CBRE, such as in the CBRE Sensitivity in Chapter VI, which assumes that 100 MW of CBRE resources replace 100 MW of required small-scale renewables modeled in the CEP Portfolio. PacifiCorp notes that the CBRE sensitivity shows slight improvements in both emissions and Energy Not Served (ENS) compared to the IRP Preferred Portfolio, reflective of the higher level of local renewables in the CEP and CBRE Portfolios, but comes at “a steep cost increase of \$131 million on a present value revenue requirement basis over the period from 2023 – 2042.”<sup>35</sup> As outlined above, this analysis appears to ignore the possible grid benefits of these projects.

PacifiCorp selected a conservative estimate of potential CBRE, apparently grounding its approach on concerns like “the appropriateness of using regulated utility rates to pay for benefits that do not necessarily contribute to delivery of safe and reliable service at just and reasonable rates for all electricity customers.”<sup>36</sup> However, this is a misleading narrative. Multiple examples exist where all customers pay for investments that directly benefit a subset of customers, such as line extension allowances and system benefit charges. Well-designed CBRE projects would provide overall system benefits to justify their cost differential when compared to large-scale renewables, while, consistent with state policy, providing additional benefits to communities in the state to the maximum extent practicable.

As noted in the CEP, the ODOE work group generally agreed that small-scale renewable and CBRE projects can play a role in achieving state energy and climate goals, reducing stress on the transmission and distribution system, supporting local economic development, and providing local energy resilience for communities. However, the ODOE Study cautioned that the “individualized nature of these types of projects also makes it difficult to predict the energy, environmental, economic, and social benefits and challenges of small-scale and community-based projects in general.”<sup>37</sup> This represents a challenge to PacifiCorp. A variety of metrics are needed to facilitate proper evaluation of the various benefits of competing CBRE projects. In particular, grid benefits like avoiding upgrades, increasing reliability and resilience, as well as peak shaving and storage benefits need quantification metrics as well as standards. Such metrics and standards need to be developed with sufficient community input because they will significantly affect trade-offs in potential project siting and design. While likely imperfect, PGE’s decision to adopt a 10% adder to roughly estimate those benefits appears a significantly superior approach to PacifiCorp’s decision to ignore them. As a result, we encourage the Commission to direct the Company also to adopt a 10% adder in this CEP.

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<sup>35</sup> CEP at 50.

<sup>36</sup> *Id.* at 49.

<sup>37</sup> *Id.* at 34 (citing ODOE Study on Small-Scale and Community-Based Renewable Energy Projects (Sept. 2022), available at <https://www.oregon.gov/energy/Data-and-Reports/Documents/2022-Small-Scale-Community-Renewable-ProjectsStudy.pdf>).

**D. The CBRE Sensitivity Does Not Account for the Varied Benefits of CBRE and Further Likely Inflates Costs by Not Accounting for IIJA and IRA Incentives.**

We are also concerned about the limited discussion in the CEP of the funding opportunities under the Inflation Reduction Act and the Infrastructure Investment and Jobs Act and how these can support CBRE. PacifiCorp must take an active approach to pursuing funding from federal, state, and local sources that can help catalyze CBRE development in its service territory. Just looking at federal incentives, it is possible that CBRE projects can benefit from 30-100% incentives to cover project costs. PacifiCorp's failure to consider in its analysis current federal, state, and local funding opportunities is not only an analysis flaw but also a disservice to its customers, as would be a failure to actively pursue these funding sources.

**E. PacifiCorp's 2023 CEP CBRE Actions Would Be Significantly Stronger if PacifiCorp Took a Leading Role, Rather than Relying on Existing Programs at Status-Quo Levels of Funding.**

Despite considering CBRE a "critical and exciting component of its CEP,"<sup>38</sup> PacifiCorp's proposed actions fall short of meeting its community's needs or state policy. The Company's Group 1 CBRE projects are basically resources that may or may not be developed through existing development paths, and the Company does not identify what actions it will take to catalyze CBRE development or remove current barriers. The Company's Group 2 CBRE projects are very minimal. The Company refers to vague proposals that it plans to refine over processes that could last up to two years.<sup>39</sup> This is unacceptable for a company that serves a number of communities with significantly higher reliability and resiliency issues compared to its more urban communities, as well as for a Company that serves communities subject to public safety power shutoffs. The resiliency co-benefits of CBRE are crucial for these communities.

PacifiCorp also proposes to develop a straw proposal to expand a program that has led to two battery storage projects in over five years, and that otherwise has resulted in a limited number of technical assessments. The Company also offers a vague proposal of maybe expanding a grant portion of this program. Furthermore, this program would ultimately benefit only critical facilities, which are crucial to communities and is an investment we support, but which would only be accessible to a limited number of community members in a situation of need.

**1. PacifiCorp should proactively pursue CBRE projects**

The Commission should direct PacifiCorp to strengthen current CBRE development paths and to adopt additional ones in which PacifiCorp is accountable for ensuring that such development takes place. The overwhelming majority of projects that PacifiCorp identifies in its inventory of potential CBRE opportunities rely on programs and development pathways that exist outside of any PacifiCorp action pursuant to the CEP, so entities other than PacifiCorp are solely

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<sup>38</sup> CEP at 51.

<sup>39</sup> *Id.* at 53.

responsible for taking projects to fruition. In contrast, PGE appears to be taking a significantly more involved approach to CBRE procurement.<sup>40</sup> We want to see development through current programs and pathways thrive, and we need to see PacifiCorp show an actual commitment to the development of CBRE projects in its territory. Indeed, PacifiCorp should include a stronger approach to procuring CBRE in its action plan, one that could rely on programmatic and competitive approaches.

PacifiCorp discusses a request for proposals (RFP) for small-scale renewables (SSRs) and how CBRE projects could participate.<sup>41</sup> This could be an interesting exercise so long as the additional benefits that CBRE projects bring to PacifiCorp's system, which we argue HB 2021 requires utilities to consider, are recognized in the RFP. For example, the PUC could direct PacifiCorp to include non-price factors that favor CBRE projects as they would both further the Company's efforts to comply with ORS 469A.210 while also furthering CBRE and the state's policy. A carve-out for CBRE could be another option to make sure that the SSRs RFP can be a viable path for CBRE development in PacifiCorp's territory.

## ***2. PacifiCorp should develop a plan to address current barriers to CBRE development***

We also encourage the Commission to direct PacifiCorp to update its CBRE action to include a plan to identify barriers preventing CBRE development under current programs and swiftly address those within its control. As we stated above, the limited success of community solar in PacifiCorp's territory to date is worrying. We are even more concerned about the dismal number of projects under the community solar carve out. Similarly, while PacifiCorp lists ETO-supported, low-impact hydro projects, we understand that developing and keeping in operation existing low-impact hydro projects is difficult under current PacifiCorp programs. As PGE and PacifiCorp look to comply with HB 2021 requirements, and as state policy calls for this transition to provide direct benefits to communities in this state, to the maximum extent practicable,<sup>42</sup> it is crucial that PacifiCorp addresses barriers to CBRE development and that the Commission holds PacifiCorp accountable to being more transparent on which of these barriers are within its control.

Importantly, the Commission should direct PacifiCorp to adopt a plan to improve its interconnection timelines. We understand that the Company's interconnection process has been a major barrier to smaller-scale solar development, including community solar. PacifiCorp should be more proactive and invested in enabling successful interconnection. Examples of Company actions that are needed include increasing transparency in the process, providing more frequent updates to those in the interconnection queue, fully staffing its interconnection team to reduce delays, and notifying developers early in the event of missing milestones. Importantly, PacifiCorp should have transparent and fruitful conversations about these barriers to CBRE development with its various stakeholder groups, including its CBIAG, in

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<sup>40</sup> As our comments in LC 80 show, we remain invested in ensuring that PGE's approach is indeed strong and can deliver on CBRE commitments and on a variety of community benefits.

<sup>41</sup> CEP at 35.

<sup>42</sup> HB 2021, Section 2(2).

order to have more equitable approaches to addressing interconnection issues. We question whether we can see any meaningful CBRE or SSR development in Oregon without PacifiCorp addressing issues with its interconnection process.

## **VI. RESOURCE PLANNING**

### **A. 2023 IRP Preferred Portfolio**

PacifiCorp based its IRP Preferred Portfolio on a system-wide optimization of resources across the company's six-state service territory. PacifiCorp justifies this approach because it "ensures that Oregon customers retain the benefits of multistate system planning and operations, that provides both access to West-wide resources and markets and mitigates risk through the delivery of reliable energy from a broad range of lower-cost resources."<sup>43</sup> While the statement above may seem reasonable, PacifiCorp's approach does not meet Oregon's requirements under HB 2021 without reallocating the current state-agreed allocation for specific thermal plants. Also, the Company's modeling is based on the most current policy framework and assumes no improvements to climate-related policies. However, relatively modest policy advances in other parts of its six-state territory could change the optimal system-wide portfolio to favor a greater share of renewable and clean sources, especially after 2030. We request that the Commission ask PacifiCorp to model a sensitivity analysis assuming more aggressive climate policy assumptions throughout its service territory.

In general, the Company used a very traditional approach to the development of the Preferred Portfolio, focusing on "chasing the peak demands," which does not factor in the many new technologies available, such as smart grid enhancements, distributed generation and storage, and smart appliances with integrated storage. The grid of the future must be much more dynamic than currently envisioned by the Company, acting to flatten and manage peak loads rather than relying on traditional peaking technologies. The Inflation Reduction Act will facilitate acceleration and adoption of these technologies, but, as we underlined above, PacifiCorp's 2023 IRP does not fully examine Inflation Reduction Act benefits.

Regarding the modeling approach, both energy efficiency and demand response programs, as determined by ETO, are deducted from the load forecast prior to resource optimization modeling. As a result, resource modeling does not seem to reflect any incremental investment in new energy efficiency programs. This modeling approach does not consider that the new CEP targets could increase the cost-effectiveness of energy efficiency and demand response measures beyond the current ETO projections. In our assessment, PacifiCorp's CEP/IRP analysis does not measure up to the level of ambition needed to fully address the climate crisis in Oregon. Regarding the specifics of the Preferred Portfolio, we have the following comments:

**Coal to gas conversions:** Although the Preferred Portfolio contains significant additions of new wind, solar, storage, and hybrid projects, it also makes unacceptable changes to the planned

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<sup>43</sup> CEP at 55.

disposition of several coal and gas plants, as explained in detail in the CUB Round 0 Comments. These changes include delayed retirement of coal and gas plants, and the conversion of several coal plants to run on methane gas. While replacing coal with gas could represent a good decision for PacifiCorp's system, conversion has not been shown to be the least-cost path for Oregon under HB 2021.<sup>44</sup> Indeed, PacifiCorp has presented no economic analysis to show why it is beneficial for Oregon ratepayers to invest in gas conversions when their ability to utilize these plants would be short-lived.

**Advanced Nuclear:** The Preferred Portfolio contains 500 MW of advanced nuclear in the form of a planned demonstration project of the Natrium technology in 2030, with an additional 1,000 MW of advanced nuclear over the long term. Natrium technology uses a molten salt energy carrier, a new design that, as of today, lacks NRC licensing or local permitting. Additionally, large-scale performance issues with any new technology make a 2030 timeline beyond optimistic.

The IRP contains a sensitivity analysis that eliminates the nuclear projects (P05-No Nuc portfolio) and replaces them with 289 MW of non-emitting peaking resources in 2030, which results in a greater reliance on the operation of gas plants, 303 MW of non-emitting peaking resources, 200 MW of battery storage in 2032, and increases in demand response and energy efficiency in 2033. This sensitivity emphasizes the relative importance of better defining and advancing the possible non-emitting peaking technologies that make up this generic category.

**Non-emitting Peaking Resources:** The Preferred Portfolio also contains 1,240 MW of non-emitting peaking resources through 2037. PacifiCorp defines these as a generic technology designed to run infrequently to support system reliability by being dispatched only when needed to meet shortfalls. The CEP/IRP notes that these new, non-emitting peaking technologies will be needed to supplement the collective operating characteristics of renewable resources with storage. Candidates listed in the IRP include several forms of long-duration storage along with hydrogen-fired generation resources - presumably with green hydrogen. Given the importance of this technology category, we request a more comprehensive discussion of the characteristics and possible options for this category. We would also like to know how PacifiCorp plans to nurture this technology development - as it is doing for nuclear power. The Company should take a more proactive role in this area.

**Energy Storage:** The Preferred Portfolio presents a quickly escalating curve for storage selections and includes over 3,900 MW by the end of 2025, growing to nearly 7,600 MW by the end of 2028. The majority of this storage is expected to be collocated with renewable resources by proxy selection or paired with solar resources resulting from the 2020 All-Source RFP. This growth in storage is consistent with the continuing trend of battery technology improvements and cost reduction. However, we would encourage PacifiCorp to look beyond storage co-location near generation sites and to identify substations and transmission lines that can use storage to flatten load peaks and avoid congestion and costly transmission and distribution upgrades.

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<sup>44</sup> CUB Round 0 Comments on PacifiCorp's 2023 Integrated Resource Plan and Clean Energy Plan.

**Energy Efficiency:** PacifiCorp identifies a total energy efficiency (EE) capacity savings of 4,953 MW in the 2023 IRP preferred portfolio. This is a modest increase from the capacity savings protected in the 2021 IRP preferred portfolio, which was 4,290 MW. Considering the increased emphasis on GHG emission targets in Oregon and Washington, and the significant co-benefits associated with energy efficiency improvements, the Company underestimates the potential for cost-effective energy efficiency.

Notably, Oregon passed HB 3141 in 2021, reducing the utilities' Public Purpose Charge, and shifting all energy conservation funding for energy efficiency programs onto utility rates. This change emphasized that energy efficiency is an energy resource comparable to other resources the utility purchases and generates for Oregonians. Under this law, PacifiCorp can recover through rates the funds necessary to plan for and pursue all available energy efficiency resources that are reliable, feasible, and cost effective. The Company's IRP, however, does not explain how it complies with HB 3141 and whether the 4,953 MW of energy efficiency projected in the Preferred Portfolio represents all available energy efficiency resources that are reliable, feasible, and cost effective. Energy Advocates urge PacifiCorp to conduct such an analysis and, if there are additional energy efficiency investments that meet such conditions, incorporate them into its IRP. Additionally, new sources of funding for energy efficiency investment in Oregon, including the Community Climate Investment, are likely to spur additional EE investment. PacifiCorp should ensure its modeling sufficiently accounts for those future resources.

Moreover, the substantial co-benefits between energy efficiency and demand response systems favor a greater investment by PacifiCorp in these programs in its IRP. These benefits go beyond merely reducing total demand on the grid (EE) and reducing peak demand (DR). Investments in energy efficiency contribute to improved air quality as EE lowers energy demand and the need to build new generation or rely on fossil-fueled generation, thereby curbing harmful emissions and adverse health impacts from fossil-fuel generation.<sup>45</sup> Improving energy efficiency can also lower individual utility bills, create jobs, and help stabilize electricity prices and volatility.<sup>46</sup> Not only does increased energy efficiency provide economic advantages to the utility and society at-large but it creates great resiliency as it diversifies the utility's resource portfolio and can provide greater stability against uncertainty associated with fluctuating fuel prices or any uncertainty in development timelines.<sup>47</sup> Given Oregon's emphasis on utility investment in energy efficiency as a resource in its fuel-mix as well as the additional co-benefits of EE, PacifiCorp should evaluate additional opportunities for energy efficiency in its IRP.

The capacity of PacifiCorp's demand response programs is much lower in the 2023 IRP compared to the 2021 IRP. The 2023 IRP projects a cumulative capacity of demand response programs reaching 929 MW by 2042, a 264% decrease in capacity relative to the 2021 IRP. PacifiCorp attributes this decrease to improved accounting of its demand response resources,

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<sup>45</sup> U.S. Environmental Protection Agency, *Local Energy Efficiency Benefits and Opportunities* (2023), available at <https://www.epa.gov/statelocalenergy/local-energy-efficiency-benefits-and-opportunities#:~:text=The%20many%20benefits%20of%20energy,stabilize%20electricity%20prices%20and%20volatility.>

<sup>46</sup> *Id.*

<sup>47</sup> *Id.*

which considers the potential overlap of resources not utilized in the 2021 IRP. While this may be the case, the Company does not discuss whether its overall demand response capacity is projected to increase or decrease when compared to the 2021 IRP, or how it plans to invest in demand response as a resource for reducing peak load on the grid.

The CEP/IRP assumes that ETO delivers all its current energy efficiency programs to PacifiCorp retail electricity customers but does not appear to consider that the new CEP targets could increase the cost-effectiveness of energy efficiency and demand response measures beyond the current ETO projections. The only new ETO-supported activities included are possible contributions to small community-focused hydro and solar projects.

The Company notes that its load forecast for 2023 is up 14.9% compared to the 2021 IRP due to higher projected demand from new large customers.<sup>48</sup> Although the level of projected energy efficiency does not increase proportionally to the load increase, we recommend that the Company work with ETO to develop new energy efficiency and demand response programs for these new large consumers.

We encourage the Commission to ask the company to reassess its energy efficiency and demand response programs, given the likely tightening of environmental requirements, the meager gains in energy efficiency, and the decline in demand response included in the 2023 IRP.

**Demand Management:** The IRP identifies three main load management programs:

- 1) Demand Response programs aimed at changing energy use during peak periods,
- 2) Price Response and Load Shifting through time of day pricing, and
- 3) Education and Information that changes behaviors.

This represents a very traditional approach to system planning based on “chasing the peak demands” that does not factor in the many new technologies available, such as smart grid enhancements, distributed generation and storage, and smart appliances with integrated storage. The grid of the future will be much more dynamic than currently envisioned, and will act to flatten and manage peak loads rather than relying on traditional peaking technologies.

In addition, the 929 MW of capacity saved through direct load control programs in the Preferred Portfolio represents a 264% decrease relative to the 2021 IRP – “due to accounting for demand response resource overlaps not accounted for in the 2021 IRP.” However, given the future potential of emerging demand response technology and processes, the 2023 IRP estimate appears quite low, we would urge a more proactive role by the company to promote DR solutions in areas where the grid benefits would be greatest.

Appendix E of the IRP outlines PacifiCorp activities in the area of Smart Grids. PacifiCorp has identified Smart Grid as the application of advanced communications and controls to the electric power system, and they are pursuing specific areas for research that include technologies such

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<sup>48</sup> PAC IPR Figure 1.7

as dynamic line rating, phasor measurement units, distribution automation, advanced metering infrastructure, automated demand response, and other advanced technologies.

The IRP notes that PacifiCorp has been using dynamic line rating (DLR) since 2014, and mentions experience with two projects operating on 230 kV lines. It further states that dynamic line rating will be considered for all future transmission needs as a means for increasing capacity in relation to traditional construction methods. However, none of the Transmission Items in the 2023 Action Plan appear to include any smart grid applications.

Furthermore, progress in demonstrating Distributed Energy Storage Systems seems particularly slow. The IRP notes that PacifiCorp filed the Energy Storage Potential Evaluation and Energy Storage Project proposal with the Public Utilities Commission of Oregon in 2017. Then in 2019 PacifiCorp began project development with the Oregon Institute of Technology (“OIT”) in Klamath Falls, where the Company contracted to provide an ESS with an energy capacity of 6 MWh and a power capacity of 2 MW. The purpose of this demonstration system is to test the integration of the ESS into the existing distribution system and to determine the system’s capability and flexibility to provide renewables integration support with solar and wind generation. The project is expected to start operation in 2023, which seems excessively slow for a relatively small system. In contrast, the IRP Appendix E mentions the 2020 Wattsmart Battery Program, approved in Utah and Idaho, which has signed up 8 commercial battery participants and over 2,700 residential battery participants. The benefits of that program seem quite clear, and PacifiCorp could be moving more quickly in Oregon in this area.

## **B. Small-Scale Renewable Portfolio Development**

The Company’s modeling assumes a business-as-usual extrapolation of climate-related policies, and yet relatively modest policy advances in other parts of its six-state territory could favorably change the cost-effectiveness of the Oregon CEP portfolio.

Based on current projections, PacifiCorp assumes that by 2030, 370 MW of existing and planned small-scale renewable resources will be available to comply with Oregon’s procurement standard. This level of small-scale resources (approximately 4.6 percent of Oregon’s total allocated capacity) does not meet the state’s small-scale renewable standard of 10% by 2030—leaving a gap of approximately 490 MW of nameplate capacity that needs to be procured by 2030. Given the size of this projected gap, we urge the Company to take a more proactive and supportive position regarding small-scale renewable projects, especially in selected areas of distribution system congestion in concert with substation battery storage systems so as to capture the grid benefits while also improving reliability and resilience. Importantly, and as outlined in our comments in the CBRE section, PacifiCorp should also include a plan to address current barriers to SSR and CBRE development so that it has a chance of complying with SSR requirements.



### **C. Oregon-Allocated CEP Analysis**

The Company states that, based on its proxy resource assumptions, the small-scale portfolio is more expensive for customers compared to the 2023 IRP Preferred Portfolio without it. The Company's concern is that the small-scale renewables portfolio results in an additional \$106 million present-value revenue requirement for Oregon customers compared to the costs of the 2023 IRP portfolio without small-scale renewables. This calculation appears to ignore the grid benefits that these projects can provide. The addition of the small-scale renewable portfolio decreases GHG emission by almost 8.8 MMt, which is an averaged cost of \$12/ton, a notably low cost compared to other mitigation strategies. Furthermore, given that the proposed 2023 Preferred Portfolio does not meet Oregon's HB 2021 targets, greater ambition for the development of small-scale renewable projects seems warranted.

### **D. Sensitivity Studies**

In addition to its Preferred Portfolio, the Company prepared multiple sensitivity analyses that modeled the comparative results that would otherwise occur from accelerating the Company's pace and volume of small-scale renewable procurements, the costs and benefits from CBRE impacts, and the elimination of market purchases in 2040. However, these sensitivities analyses are based on the company's proxy resource assumptions that 1) small-scale renewable projects (including CBRE projects) are more expensive for customers compared to other resources, and 2) site-specific grid benefits were not included because of the generic (and non-site specific) nature of the analysis. Therefore, given the metrics that the Company used in the sensitivity analyses (PVRR, ENS, and Emissions Reductions), the results are predictable, and appear to be just another attempt to justify slow progress toward a more distributed, smart, and resilient electricity network.

Rather than considering small-scale renewable and CBRE projects only as a requirement, we believe the Company should take this opportunity to be a leader in exploring where and how small-scale renewable and CBRE projects can best strengthen its transmission and distribution system, while also meeting the targets in HB 2021.

## **VII. GREENHOUSE GAS EMISSIONS**

As PacifiCorp explains in its CEP, PacifiCorp's system is not projected to achieve HB 2021 emission reduction targets by 2030 or beyond. PacifiCorp evaluated compliance with HB 2021's emission reduction targets in a three-phased approach. First, the Company completed a system-wide IRP, identifying a common Preferred Portfolio for all of its states. Having found that emissions will not decline in compliance with HB2021, PacifiCorp next incrementally added small-scale resources to Oregon in order to meet Oregon's 10 percent small-scale renewable energy requirement. The 10 percent small-scale renewable energy requirement is separate and apart from PacifiCorp's emission reduction requirements, but the Company appears to have used it as the primary vehicle to also reduce emissions. Finally, having still not met the emission reduction targets, PacifiCorp considered two Oregon-specific "Compliance Pathways."

Unfortunately, neither Pathway appears to have been thoroughly considered by the Company, and each faces implementation challenges.

### **A. PacifiCorp's Proposed Compliance Pathways Come With Significant Hurdles**

Compliance Pathway 1 assumes reductions in Oregon's thermal resource allocations over time. Beginning in 2030, Oregon ratepayers will no longer be allocated costs for coal generation, and PacifiCorp's proposal is that a similar process would occur for gas generation, wherein PacifiCorp would cap the percentage of gas resources allocated to Oregon at an amount that supports Oregon emissions targets. While this option is attractive for its seeming simplicity, PacifiCorp does not explain in the CEP how this allocation methodology would be accomplished or whether other states within PacifiCorp's service territory would likely agree to its implementation.

Limiting Oregon's allocation of gas resources would presumably mean that other PacifiCorp states would accept higher percentages of gas generation. Due to climate policies in Washington and California, the states accepting more gas would likely be Idaho, Utah, and Wyoming ("Rocky Mountain Power states"). While none of these states currently have climate policies that may limit their ability to accept more gas generation, they all follow least-cost, least-risk planning processes. Accepting more gas generation could mean that Rocky Mountain Power states have less need for lower cost renewable resources, ultimately driving up their costs. It would also require the Rocky Mountain Power states to accept a higher risk that additional regulations—either on the federal or state level—will impose additional costs on operating gas resources, in addition to other risks with operating gas generation, such as the volatility of gas prices.

It is unclear whether these states would have an interest or desire to accept Oregon's current share of gas generation. Other questions include whether states outside of Oregon would agree to a cost allocation methodology that did not require Oregon to "buy out" its share of the gas resources, as is required with the coal exits. An estimate of these costs has not been provided.

Compliance Pathway 2 would assume that 100 percent of new large commercial load is served with 100 percent non-emitting generation through voluntary renewable options. This would be combined, to some extent, with also capping Oregon's allocation of gas resources. Achieving 100 percent opt-in of new large commercial load to a voluntary program may be overly optimistic and PacifiCorp has not provided any details on what incentives would be offered to encourage 100 percent opt-in. Further, while the Company states that Pathway 2 also relies on capping Oregon's allocation of thermal resources, it is unclear whether sufficient non-emitting generation could be procured by new large commercial voluntary participants to meet HB 2021.

Additionally, large customers opting into voluntary renewable energy programs will have their own motivations to do so, outside of HB 2021 requirements. To the extent that these customers intend to claim the non-emitting attributes of the renewable energy generation, this could raise double-counting issues if PacifiCorp were to also claim the non-emitting attributes for HB 2021

compliance purposes. While the Commission is still evaluating how renewable energy credits (“RECs”) will be treated under HB 2021 in Docket UM 2273, and may address voluntary programs specifically in that docket, Pathway 2 appears to be an unreliable path to comply with HB 2021’s clean energy targets.<sup>49</sup>

The Energy Advocates raise these concerns not to discount exploring options for a multi-state utility to meet Oregon’s emission reduction targets, but to underscore the importance of PacifiCorp preparing a CEP that meets the requirements of HB 2021 without assuming that current emission levels can simply be reallocated to another state, which ultimately reduces emissions reduction to a paper exercise.

### **B. PacifiCorp Must Evaluate Commercialized, Clean Resources that can Reliably Decarbonize Its Entire System and Evaluate Additional Oregon-Specific Resources Beyond Small-Scale Renewables to Meet HB 2021 Emission Reduction Targets**

The Energy Advocates recommend two changes to PacifiCorp’s evaluation of HB 2021 compliance. First, PacifiCorp’s system-wide planning should provide more weight to commercially available, clean resources. The Company argues that future technologies will likely need to be developed in order to provide 100 percent clean energy to Oregonians. The Energy Advocates agree that the development and commercialization of new resources will likely be required. However, when evaluating the promise and likelihood of new technologies, PacifiCorp appears to have almost exclusively focused on resources that would operate similarly to its current thermal fleet – specifically, advanced small-scale nuclear reactors and “non-emitting peakers” that can be viewed as a placeholder for future hydrogen technology. Neither of these resources are commercially available.

Fortunately, PacifiCorp can consider other possible non-emitting resources. Clean resources such as offshore wind, advanced geothermal, and iron-air batteries have shown commercial success globally or are significantly further along in development than PacifiCorp’s proposed Natrium project or than “non-emitting peakers.” These resources could be developed to meet PacifiCorp’s energy and capacity needs across the system, but they appear to have played a minor role in PacifiCorp’s analysis.

For example, although the company examined offshore wind in the 2023 IRP, it was relatively narrow in scope, with a sensitivity analysis (P-10) requiring a minimum of 1,000 MWs to be selected in southern Oregon.<sup>50</sup> This contrasts with how PacifiCorp has treated the Natrium demonstration project, which it hardwired into the 2021 IRP.<sup>51</sup> Additionally, PacifiCorp’s 2023 IRP references the existence of recent studies on opportunities regarding coal-to-nuclear energy

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<sup>49</sup> See *In the Matter of Public Utility Commission of Oregon, Investigation Into House Bill 2021 Implementation Issues*, Dkt. No. UM 2273, Order No. 23-194, (Jun 29 2023), available at <https://apps.puc.state.or.us/orders/2023ords/23-194.pdf> (providing the potential for investigation of voluntary programs in Phase I(b)(2) Oregon-regulated REC programs).

<sup>50</sup> IRP at 242, 276

<sup>51</sup> IRP at 6

transition in support of the Natrium demonstration project but lacks emphasis on the ongoing outreach and actions by the Bureau of Ocean Energy Management (BOEM) and the Oregon Department of Land Conservation and Development's (DLCD) to identify two call areas on Oregon's southern coast and related nominations from areas of interest from four developers.<sup>52</sup> As PacifiCorp notes, floating turbines are not as common as fixed turbines.<sup>53</sup> However, there are utility-scale operations, such as the Hywind Scotland in the United Kingdom, which "reache[d] the highest average capacity factor for any wind farm in the UK" in 2020, including fixed turbines, which support lower intermittency.<sup>54</sup> Given that BOEM and DLCD are paving the way for offshore wind, the Company should provide more robust modeling of this resource in future IRPs.

PacifiCorp also gave advanced geothermal very little consideration, even as significant advances have been made in recent years. Unlike traditional geothermal plants that have been around since the 1970s and use natural hot water reservoirs below ground, advanced geothermal uses advanced drilling technologies to tap into subterranean dry, hot rocks to heat water and power turbines that generate electricity.<sup>55</sup> Locations that support traditional geothermal plants are relatively limited, whereas advanced geothermal technology is possible in most areas. There are multiple methods to create power from advanced geothermal technologies, including two extensive wells that create an underground aquifer, creating a "closed loop system," or wells that serve as "batteries."

The advancement of drilling techniques in the oil and gas industry since the 2000s has significantly contributed to the recent progress of advanced geothermal.<sup>56</sup> For example, in July 2023, Fervo Energy completed a successful commercial pilot in Nevada, and has started construction on a 400-MW project that it expects to be online by 2028.<sup>57</sup> Fervo uses a high-tech drilling rig owned by a major gas contractor, signaling a change in the industry. Fervo plans to connect to the state's grid, "providing 3.5 megawatts of electricity to power Google data centers." The company is also working on a Utah project that is anticipated to provide 400

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<sup>52</sup> U.S. Dep't of Interior, Bureau of Ocean Energy Management, *Oregon Activities*, available at <https://www.boem.gov/renewable-energy/state-activities/Oregon>.

<sup>53</sup> IRP at 194

<sup>54</sup> Equinor, *Hywind Scotland Remains the UK's Best Performing Offshore Wind Form* (Mar. 23, 2021), available at <https://www.equinor.com/news/archive/20210323-hywind-scotland-uk-best-performing-offshore-wind-farm>

<sup>55</sup> New York Times, *There's a Vast Source of Clean Energy Beneath Our Feet. And a Race to Tap It*. (Aug. 28, 2023), available at <https://www.nytimes.com/2023/08/28/climate/geothermal-energy-projects.html>.

<sup>56</sup> *Id.*

<sup>57</sup> CNBC, *Fervo Energy Hits Milestone in Using Oil Drilling Technology to Tap Geothermal Energy* (July 18, 2023), available at <https://www.cnbc.com/2023/07/18/fervo-energy-hits-milestone-using-oil-drilling-tech-to-tap-geothermal.html>.

megawatts by 2028, which can power 300,000 homes.<sup>58</sup> Relatedly, the U.S. Department of Energy issued \$220 million in research to Utah FORGE, a similar advanced geothermal plant.<sup>59</sup>

While these developments are recent and occurred after the IRP was filed, they provide support for why PacifiCorp should more closely examine resources like advanced geothermal. We ask that PacifiCorp provide a more robust modeling of advanced geothermal in future IRPs.

Second, if the thorough consideration of commercialized, non-emitting resources on a system-wide basis does not achieve necessary emission reductions for Oregon, PacifiCorp should consider whether additional resources other than small-scale renewable energy, could have been added specifically to Oregon's resource mix. PacifiCorp's CEP appears to have limited the consideration of new, Oregon-specific resources to small-scale renewables. While these resources are intended to play an important role in Oregon's energy future, they are not the only options for reducing emissions, and it is disappointing that the Company did not explore the addition of other resources.

### **C. PacifiCorp's Forecasted Pace of Emission Reductions Should Not Be Relied Upon**

PacifiCorp's CO<sub>2</sub> equivalent emissions trajectory is presented in the Company's IRP in Figure 1.12, which compares emission reduction projections with the 2021 IRP. PacifiCorp's projections indicate that the Company will reduce emissions each year (with the exception of 2027) and that the 2023 IRP will reach lower emissions more quickly than the 2021 IRP would have. While these projections appear, at first glance, promising, the Commission should be cautious of accepting them at face value for two reasons.

First, PacifiCorp projects notably higher emissions under the 2023 IRP as compared to the 2021 IRP in years 2023, 2024, 2025, and 2028. Near-term emission reductions are much more valuable than promised emission reductions years down the road. Actions necessary to achieve near-term emission reductions are more likely to be included in the Company's action plan and, thus, more likely to be achieved. Many things can change between today and 2029—the first year projected 2023 IRP emissions are consistently below projected 2021 IRP emissions—making those emission reductions less certain. The global scientific community also confirms that significant emission reductions are necessary by 2030. According to the United Nations, countries must cut carbon emissions by 45% from 2010 levels by 2030 in order to keep global warming to 1.5 degrees. This further places greater value on near-term emission reductions.

Second, PacifiCorp's recent announcement that it is "pausing" its all-source RFP will undoubtedly impact PacifiCorp's ability to meet its projected greenhouse gas reductions. While

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<sup>58</sup> Oregon Capital Chronicle, *Tech Breakthrough Could Boost States' Use of Geothermal Power* (Aug. 5, 2023), available at <https://oregoncapitalchronicle.com/2023/08/05/tech-breakthrough-could-boost-states-use-of-geothermal-power/>.

<sup>59</sup> University of Utah, *Updates from the Utah FORGE Project* (July 28, 2023), available at <https://attheu.utah.edu/facultystaff/updates-from-the-utah-forge-project/>.

the Energy Advocates are still assessing what impact this announcement will have on the 2023 IRP and CEP, it will undoubtedly have significant impact given that the 2022 all-source RFP was seeking to obtain 1,345 MW of new renewable resources and 600 MW of storage by the end of 2026, as identified in the 2021 IRP. Without the acquisition of these resources, it is likely that PacifiCorp will continue to rely on its thermal fleet for a longer period, resulting in increased emissions.

## **IIX. ACTION PLAN**

HB 2021, and the requirement to develop a CEP, demands that Oregon's electric utilities address the climate crisis head-on, with immediate and decisive action. Unfortunately, the Energy Advocates find that PacifiCorp's CEP Action Plan does not go nearly far enough. Below we address PacifiCorp's proposed near term actions and provide suggestions to accelerate action needed to address the climate crisis that is already creating serious damage and will only get more catastrophic with time.

### **A. Community Engagement**

PacifiCorp's action item around community engagement is vague and undetailed, implying a "continuation" of engagement activities rather than improvement. We recommend that actions include more specific steps to improve community engagement, through activities such as the targeted outreach to Tribal communities and governments, as well as identification of existing community organizing spaces/coalitions and leveraging them (such as the HB 2021 Community Cohort) to present issues or collect feedback.

### **B. Community Benefit Indicators**

The goal of advancing PacifiCorp's CBIs should be reflected throughout the action plan. The current action calls for monitoring and evaluating PacifiCorp's six CBIs and their metrics. We need more assertive action that leads to progress on those six indicators.

We encourage the development of environmental CBIs that go beyond compliance with the targets set forth in HB 2021. Actions should be included in the CEP that explore the adoption of other CBIs, such as air quality impacts or others that have been consistently recommended by stakeholders.

We also recommend that PacifiCorp develop strategies that advance the CBIs, such as those that would decrease the number of residential disconnections for health and community well-being. Actions should be included in the CEP that further its CBIs by targeting investments and improvements in communities we already know are disproportionately experiencing vulnerabilities, harm from the energy system, or exclusion of the benefits of a clean energy transition.

### **C. Resiliency**

PacifiCorp's resiliency action focuses on developing definitions, goals, and metrics rather than on increasing resiliency for the communities it serves. The Action Plan should reflect the urgency of resilience conversations and incorporate an analysis of vulnerability that connects qualitative data about community experience with resilience with existing scoring models such as SAIDI/SAIFI/CAIDI.

### **D. Community-Based Renewable Energy**

The action plan should include items aimed at procuring CBREs that will allow PacifiCorp to better serve its customers. An example includes an amended CBRE Project Pilot action that includes a more detailed and timely strategy to improve the resilience of vulnerable communities during energy outages.

### **E. Capacity Additions, Small-Scale Generation, Transmission, and Other Actions**

PacifiCorp's action items pertaining to capacity additions, small-scale generation, transmission, and "other actions" all directly tie to the Company's ability to meet HB 2021's emission reduction targets by 2030 and beyond. As addressed above, there is a real need for PacifiCorp to evaluate total-system decarbonization by focusing on viable and clean resources that can reliably serve PacifiCorp's customers and aggressively pursue those resources as quickly as possible. Failure to do so will result in either emission reductions not occurring or being relegated to a paper exercise only.

First, PacifiCorp identifies "[c]omplete the 2022 all-source request for proposals process" as the first action item under "capacity additions," as well as conduct a new 2023-2024 all-source request for proposal ("RFP"). Before this CEP process has even been completed, PacifiCorp announced an intention to abandon the first capacity addition action item. The Energy Advocates are concerned that failure to complete the 2022 all-source request for proposal will significantly delay the transition to clean resources and further jeopardize PacifiCorp's ability to meet HB 2021 emission reduction targets. Not only should PacifiCorp complete a new 2023-2024 all-source RFP, the Commission should direct PacifiCorp to complete the 2022 all-source RFP. The Company's IRP showcases the massive amount of clean energy procurement that is needed over the next 20 years to meet the Company's current emissions forecast, which still does not meet HB 2021 requirements. The Company is at risk of *under*-procuring, not over-procuring, resources. Stepping back from resource procurement at this stage, especially in light of the favorable economics of renewables due to the Inflation Reduction Act, will only harm customers.

Second, the Company should commit to not only "assessing bids in specific small-scale renewable resource request for proposals," but *procuring* small-scale renewable resources. Third, PacifiCorp's "transmission" action items consist of a list of future transmission lines, with no actual actions to be done by the Company. PacifiCorp should amend this list of

transmission-related items to identify specific actions that the Company will take to ensure that the transmission is available on time.

Finally, under “other actions,” the Company discusses adjusting allocation methods under the Multistate Protocol to manipulate the amount of gas resources serving Oregon customers and otherwise limit the greenhouse gas emissions from the Company’s system that end up on Oregon’s books. The Energy Advocates do not oppose continued negotiation with PacifiCorp’s other states regarding cost allocation, but again urge the Commission to direct PacifiCorp to evaluate how best to change not only allocation methodologies but also how to *eliminate* greenhouse gas emissions currently assigned to Oregon, not simply assign them to other states. As discussed, this will require a real commitment from PacifiCorp to invest in clean, reliable resources, not just known but also emerging, such as offshore wind, iron-air batteries, and advanced geothermal.

#### **F. Resource Procurement Planning**

The Company’s approach to resource planning and procurement is heavily focused on investments in its existing assets, which is understandable, given the structure of the traditional ratemaking process. Only the Natrium Demonstration Project is included in the IRP Action Plan, while the CEP Action Plan focuses on a flawed Initial Community Based Renewable Energy Potential Study and discussion with stakeholders to update its Initial Community-Based Renewable Energy Action Plan. This would be a reasonable approach if we were in “normal” times, but it’s not ambitious enough for the climate crisis we are addressing in the CEP. PacifiCorp needs to take a more proactive role in establishing ways to value the grid benefits that CBRE projects, and to provide this methodology and supporting grid data to communities and developers to help guide the development of the most beneficial CBRE projects to both ratepayers and the Company. Instead of a single CBRE Pilot Project, the Company should promote multiple example projects. For example, the CBRE class of a renewable energy source paired with battery energy storage can take several different forms, and address different grid and community resilience issues. Robust community engagement is needed throughout this process to both gauge community interest in different types of CBRE projects, and to identify and clarify where and how CBRE projects can best generate grid benefits and how those will be scored in any proposal evaluation process.



## **IIX. CONCLUSION**

In general, public utilities are monopoly-based regulated entities that have traditionally earned returns on investments in infrastructure. That is an issue for another venue, but as long as that motivation generates a public utility management outlook and approach that is not ambitious enough, relative to the climate and energy injustice crises we face, then the Commission needs to provide corrective direction. The climate crisis is already creating serious damage that will only get more catastrophic with time, so we need to accelerate action by pursuing multiple parallel paths rather than a few “optimal” pathways. Importantly, energy injustice has also had devastating impacts on vulnerable Oregonians who have higher energy burdens while often experiencing less comfort, are more vulnerable to disconnection, have access to less reliable and resilient energy, and are also underrepresented in the clean energy economy. This logic argues for greater emphasis on distributed generation and storage, and not just through small-scale renewable and CBRE projects, but enhanced pathways supporting (rather than resisting) community and rooftop solar installations, as well as for an energy justice less as PacifiCorp works to transition to a clean grid.

Respectfully submitted this 25<sup>th</sup> day of October, 2023,

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