

**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

**AR 616**

In the Matter of )  
 )  
Rulemaking related to Renewable )  
Portfolio Standard Planning Process and )  
Reports. )  
 )  
 )  
 )

---

**COMMENTS OF THE  
OREGON CITIZENS' UTILITY BOARD**

**March 19, 2019**



**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**AR 616**

In the Matter of	)	
Rulemaking related to Renewable Portfolio	)	COMMENTS OF THE
Standard Planning Process and	)	OREGON CITIZENS' UTILITY
Reports.	)	BOARD
	)	
Staff Request for Comments from Interested	)	
Parties	)	

---

**I. STAFF'S QUESTIONS**

1. *Please describe what you see as the respective functions of the RPIP and the Compliance Report? How does one complement the other? And, how do you think these reports relate to the IRP?*

CUB realizes that the main purpose of the RPIP is to ensure that the utilities have an established five-year action plan to meet Oregon's RPS targets. The RPIP traces a path which the utilities may follow to achieve the RPS goals. The Compliance report is an annual record of the utilities' realizations of the action plans enlisted in their RPIP.

These reports are complementary in the sense that the RPIP is the reference against which the Compliance report can be evaluated and outcomes from the Compliance report may serve as inputs in future RPIPs. For instance, as pointed out in Staff comments on UM 1959, the cost of compliance forecasted in PacifiCorp's 2017 – 2021 RPIP base case was \$15.5 million, whereas the cost of compliance in the 2017 Compliance Report was \$3.5 million.<sup>1</sup> This data can then be used to update compliance cost forecasts for the 2019-2023 RPIP.

The RPIP can be viewed as a subset of the IRP. As we are moving towards a carbon free world, a significant part of the IRP is essentially planning about meeting RPS targets. For instance, it makes complete sense to have PGE incorporate their RPIP in their IRP rather than having them as two separate documents. PacifiCorp might still need a separate RPIP as it is a multi-state system, but expected changes in its multistate allocation agreement is expected to lead to resources being assigned/subscribed by individual states and it will be required to have a separate Oregon plan within its IRP and

---

<sup>1</sup> Staff's Comments in relation to RPS Compliance Reporting by PacifiCorp in UM 1959.

at that time their RPIP could be incorporated into this Oregon plan within its IRP. Both PGE and PacifiCorp clearly state in their RPIPs that the plan is primarily based on their IRPs.

The Compliance report is a record of the companies' accomplishments of RPS plans as presented in their IRPs and hence can be viewed as complementary to the IRP.

2. *While the content for the RPIP and Compliance Reports is detailed in both OAR and statute, the requirements for these reports have remained a point of contention among parties. For example, understandings have differed as to what constitutes a material difference between an RPIP and the most recent IRP. Please specify any criteria in addition to the statutory requirements that should be established for RPIP and Compliance Report filings.*

CUB has no recommended changes to the existing list of requirements.

3. *The current timing of IRP filings and RPIPs are not coordinated, despite SB 1547 making the link between these two processes stronger. What are your recommendations to better connect the timing of the RPIP with the IRP?*

CUB believes that RPIP should be incorporated with the IRP. Therefore, they should have the same filing time.

4. *SB 1547 repealed the first-in first-out REC banking requirement and introduced Golden RECs into the RPS process. Both of these actions have long-term implications for RPS well beyond the current five year planning horizon required in the RPIP. Indeed, in both PGE's IRP (LC 66 – RPS Glidepath) and PAC's IRP (LC 67 – Energy Vision 2020) the Companies take a longer view of regulatory compliance benefits of near-term renewable resource acquisitions. Yet, these planned acquisitions were not found in either companies' RPIP or Compliance reports filed in 2018. Would it be more appropriate, given the longer-term impacts of the companies' renewable resource acquisitions and the ability to bank certain RECs beyond the compliance window, to have the RPIP and even the Compliance Reports include information that covers a longer time frame? Please specify what information, if any, should be included and explain your answer.*

CUB believes a longer time frame for the RPIP would be logical. Since the companies are already making RPS compliance plans in their IRPs for a longer period, excluding this information from their RPIP and Compliance reports due to a shorter time frame requirement indeed makes the RPIP and the Compliance report inadequate.

5. *The RPIP rule specifies forecasts of several scenario and sensitivity requirements including expected incremental costs of new qualifying electricity, the expected incremental cost of compliance with the cost of unbundled RECs and alternative compliance payments, and a forecast of the number and cost of bundled RECs issued. For each of the above listed forecasts the rule also requires one forecast that assumes existing government incentives continue beyond their current expiration date and one that does not. Are the required RPIP scenarios and sensitivities still appropriate?*

CUB considers the required scenarios and sensitivities as generally appropriate. Both the RPIP and Compliance reports are based on the IRP, and, the IRP includes rigorous portfolio analysis taking into account an exhaustive number of scenarios and sensitivities.

6. *Are there improvements to RPIP and RPS Compliance report formatting that should be made to more fully facilitate dissemination of information and review of the reports?*

CUB has no recommended changes.

7. *How should "associated energy storage" as it is used in ORS 469A.120 be defined?*

CUB believes that this law was enacted due to the expectation that renewables would be combined with on-site storage to add value to a renewable investment. Hence “associated energy storage” should be defined as “onsite storage”.<sup>2</sup> In addition, the PUC could consider establishing a charging standard to define “associated energy storage.” The federal investment tax credit (ITC) allows for battery storage to receive a solar tax credit if 75% of the energy used to charge the battery comes from solar.

8. *Are there any specific changes you would like to see to the administrative rules related to the Renewable Portfolio Standard Planning process and reports that was not addressed in the previous questions? What legal and/or policy justification is there for your position?*

CUB suggests incorporating the RPIP in the IRP and not require a separate implementation plan for RPS compliance. As mentioned earlier, the companies use information from their IRP in their RPIPs and therefore new information is gained from having a separate RPIP.

Signed this 19<sup>th</sup> of March, 2019.



Sudeshna Pal,  
Economist,  
Oregon Citizens' Utility Board  
610 SW Broadway, Ste. 400  
Portland, OR 97205  
T | 503.227.1984 x 10

---

<sup>2</sup> UE 335 – CUB/200/Gehrke-Jenks/13-14