

AR 616

RPS Planning and Reports

June 19, 2020



Agenda



- 1. Introductions*
- 2. Discussion Questions*
- 3. Staff's Proposal*
- 4. Associated Energy Storage*
- 5. Next Steps*

Applicable Statutes



- ORS 469A.100- RPS guidance
- ORS 469A.100(1) –Cost Cap
- ORS 469A.075- Implementation plan; annual reports; rules
- ORS 469A.170-Compliance reports; rules
- ORS 469A.140(3)-REC banking
- ORS 469A.052 (Senate Bill 1547)- raises the percentage of required qualifying energy

Discussion Questions

What value do the RPIP and Compliance Report bring that is not contained in an IRP?

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- The RPIP helps the Commission and stakeholders understand the cost of compliance under an array of regulatory scenarios
 - government incentives continue; high fuel costs; etc...
- the RPS Compliance Report provides assessment of real world factors affecting compliance costs

What is a material deviation?

RPS compliance reports require a utility to provide additional information if/when the company 'materially deviates' from its RPIP

Discussion

Staff's Proposed Changes

Staff's proposed changes to the RPS Planning Report (RPIP)

- Timing: The utility should file their RPIP as a companion filing to the IRP or IRP update. [OAR 860-083-0400(1) & (8)]
 - If neither an IRP nor IRP update is filed with an RPIP within a two-year period, then the utility would need to file a stand-alone RPIP.
- Planning Horizon: The RPIP planning horizon should be extended to ten years in order to capture long-term compliance strategies.
[OAR 860-083-0400(2)]
- Assumptions: Assumptions underlying the RPIP, specifically those used in calculating incremental cost, should be clearly identified consistent with OAR 860-083-0100. [OAR 860-083-0400(2)(d-f)]
 - There should be no difference between RPIP and IRP assumptions and data.

Staff's proposed changes to the RPS Planning Report (RPIP)

- Forecasting: Scenario and sensitivity requirements should be updated to reflect Oregon's renewable energy and climate change priorities, including Executive Order 20-04. [OAR 860-083-0400(2)(d-f); OAR 860-083-0400(4)(a) and (b)]
 - A forecast of the costs of using 20% unbundled renewable energy certificates for compliance [OAR 860-083-0400(2)]
- Format: Staff will submit an updated template incorporating all changes to the RPIP to the Commission for approval.

Staff's proposed changes to the RPS Compliance Report

- Assumptions: Assumptions underlying the RPS Compliance Report, specifically those used in calculating incremental cost, should be clearly identified consistent with OAR 860-083- 0100. [OAR 860-083-0350(2)]
- Format: Staff will submit an updated template incorporating all changes to the RPS Compliance Report to the Commission for approval.

Discussion

Associated Energy Storage

ORS 469A.120- Recovery of Costs for Complying with Renewable Portfolio Standard

“ (2)(a) The Public Utility Commission shall establish an automatic adjustment clause as defined in ORS 757.210 or another method that allows timely recovery of costs prudently incurred by an electric company to construct or otherwise acquire facilities that generate electricity from renewable energy sources, costs related to associated electricity transmission and *costs related to associated energy storage.*”

Identifying areas of agreement

- Energy storage is not *per se* a renewable resource
- To qualify for cost recovery, the energy storage must be related to qualifying electricity
- The energy storage must be powered/fueled by qualifying electricity
- The energy storage must be physically connected to the renewable energy resource

Associated Energy Storage

- What does it mean for energy storage to be associated with a renewable?
- How else might energy storage be connected to a renewable energy resources?
- Besides co-location, what metrics are available for determining if energy storage is associated with a renewable energy resource?

Discussion

Next Steps



- June 30- Stakeholder feedback on associated energy storage due

Thank you!



For questions or comments please contact:

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