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June 30, 2020

Via Electronic Filing

Public Utility Commission of Oregon Attn: Filing Center 201 High St. SE, Suite 100 Salem OR 97301

> In the Matter of OREGON PUBLIC UTILITY COMMISSION Re:

> > Rulemaking Related to Renewable Portfolio Standard Planning Process and

Reports.

Docket No. AR 616

Dear Filing Center:

Pursuant to the Oregon Public Utility Commission ("Commission") Staff's June 19, 2020 request for comments regarding 'associated energy storage,' the Alliance of Western Energy Consumers ("AWEC") provides the following responses to Staff's four questions presented:

- 1. What was the purpose of including 'associated energy storage' in the language SB 1547? What facts or policy reasons support your position?
- Should the administrative rules require 'associated energy 2. storage' to be located on the site of a renewable resource? What legal or policy reasons support your position?
- How else might energy storage be connected to a 3. renewable energy resources?
- 4. Besides co-location, what metrics are available for determining if energy storage is associated with a renewable energy resource?

Rather than addressing each question in turn, AWEC provides the following general comments in response to Staff's request for input addressing 'associated energy storage.' ORS § 469A.120(2)(a), states that "[t]he Public Utility Commission shall establish an automatic adjustment clause as defined in ORS 757.210 or another method that allows timely recovery of

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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." It is AWEC's position that the term 'associated energy storage' requires the storage facility be directly supportive of one or more renewable facilitates which usually, but not necessarily, would be co-located. Accordingly, AWEC does not agree that energy storage is "associated" with renewable energy solely by virtue of its potential to help balance variations in renewable energy on a system basis. That said, while AWEC expects that co-location will be an important metric for determining whether energy storage is associated with renewable energy, it may not be the only criterion. Other potential examples of energy storage that is "associated" with renewable energy may arise on a case-by-case basis.

For this reason, AWEC does not believe it is necessary to promulgate rules defining the phrase 'associated energy storage.' Rather, it may be more appropriate for the Commission to provide guidance through case-by-case determinations. However, if Staff believes defining this phrase in rules is valuable, AWEC recommends that the rule create a rebuttable presumption that collocated energy storage is "associated" with renewable energy and specify that any other energy storage system must directly support one or more renewable energy projects to be "associated" with energy storage. The burden of demonstrating such direct support would be on the utility through an evidentiary showing beyond mere balancing of system variability.

AWEC appreciates the opportunity to provide comments on the term 'associated energy storage.'

Sincerely,

/s/ Corinne O. Milinovich
Corinne O. Milinovich

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