

**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

**UM 1728**

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY,

Application to Update Schedule 201  
Qualifying Facility Information

OREGON SOLAR + STORAGE  
INDUSTRIES ASSOCIATION REQUEST  
FOR A WAIVER OF THE 30-DAY  
EFFECTIVE DATE OR IN THE  
ALTERNATIVE TO SUSPEND THE  
AVOIDED COST RATES PENDING  
REVIEW

Pursuant to OAR 860-029-0005(3), the Oregon Solar + Storage Industries Association (“OSSIA”) respectfully requests the Oregon Public Utility Commission (the “Commission”) grant a waiver of the requirement that a post-integrated resource plan (“IRP”) avoided cost update to become effective 30 days after filing under OAR 860-029-0040(4), OAR 860-029-0080(3), and OAR 860-029-0085(3). This filing includes a completely new proposal with new data and inputs not previously examined, it is subject to some procedural irregularities, i.e., Portland General Electric Company (“PGE”) filing two supplemental filings combined with a short turnaround time for stakeholder comments, and PGE failed to provide complete draft avoided cost information in its IRP. Considering these factors, it is infeasible to address the issues in this filing on the timeline proposed. Instead, OSSIA requests that the Commission allow additional time to review what should be addressed in this docket or what should go into UM 2000 and direct that this avoided cost update not become effective until after it is considered at the Commission’s public meeting on May 28, 2024 which would be 64 days after the date

OREGON SOLAR + STORAGE INDUSTRIES ASSOCIATION REQUEST FOR A WAIVER 1  
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PGE's) filing was complete and correct.<sup>1</sup> Alternatively, if the Commission declines to grant a waiver, OSSIA requests that the Commission exercise its authority under OAR 860-029-0085(3) to suspend the avoided cost rates so additional time can be provided to review them.

This waiver or suspension is warranted because: (1) PGE seeks a waiver of its obligation to file an annual May 1 avoided cost update, which would normally become effective within 60 days after the May 1 filing; (2) PGE's application was incomplete and incorrect when filed on March 18, 2024 and PGE filed two supplemental applications on March 21 and March 25; (3) Stakeholders were only given six business days to review PGE's initial filing before the comment deadline set for March 27, 2024 (and only two days after PGE's last supplemental filing); (4) the stakeholder comment deadline was set for the middle of spring break when many individuals were out of the office; (5) PGE is proactively updating the renewable capacity resource from a simple-cycle combustion turbine to a 4-hour battery, an issue that is slated for a full vetting and review in the UM 2000 docket; (6) PGE continues to refuse to comply with the requirement that it provide a draft of its avoided cost update at the time it files its IRP under OAR 860-029-0080(3); and (7) PGE's workpapers provide vague references to its source for the various inputs.

These factors combine to create and impose on stakeholders an unworkable process. On the one hand, historically certain inputs to the avoided costs have been approved on the grounds that they are consistent with PGE's recently acknowledged IRP,<sup>2</sup> sending the message to

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<sup>1</sup> OSSIA initially wanted to propose that the filing be considered at the last public meeting before 60 days after the filing was complete, but the Commission does not appear to have a public meeting scheduled for May 21, 2024.

<sup>2</sup> Order No, 20-171, Appendix A at 3 ("Staff has reviewed the inputs relied on by PGE for its post-IRP update and concludes they are consistent with PGE's recently acknowledged IRP.").

stakeholders that they must be involved earlier in the process and in the IRP to have any influence over those inputs. Yet, on the other hand, the Commission has also stated that while discussion of issues in an IRP or IRP update may be informative or persuasive, it is not conclusive and does not determine the outcome of the avoided cost proceeding.<sup>3</sup> Therefore, it appears some level of engagement in both the IRP and the avoided cost proceeding is necessary. However, PGE does not provide adequate information in the IRP and once sufficient detail is provided in the avoided cost proceeding, stakeholders are forced to review it under extreme time constraints. This process does not provide for sufficient vetting of issues.

For example in this update, PGE says it is proactively proposing to update the renewable capacity proxy resource from a generic simple cycle combustion turbine to a 4-hour battery, which it understands is one of the issues slated for a full vetting in the UM 2000 docket. In PGE's IRP, PGE was asked to provide draft avoided cost information and NewSun Energy asked the Commission to direct PGE to provide the draft avoided cost information required under OAR 860-029-0080(3).<sup>4</sup> However, PGE refused to do so and the Commission's written order in that docket has yet to be published. PGE instead provided a table that purports to list the various components of the avoided cost calculation and where they can be found or where they were developed in the IRP.<sup>5</sup> On the capacity element, PGE lists Chapter 10, Section 10.6 as the source of this information and states simply that "[t]he proxy capacity resource is based on the interpretation of the Preferred Portfolio." While Section 10.6 discusses a 4-hour battery as the

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<sup>3</sup> Order No. 21-215, Appendix A at 4 (citing Order No. 21-129 at 2-3).

<sup>4</sup> *In re PGE's 2023 IRP and CEP*, Docket No. LC 80, Round 0 Comments of NewSun Energy LLC at 14 (May 4, 2023); Docket No. LC 80, Round 1 Comments of NewSun Energy LLC at 13-14 (July 27, 2023); Docket No. LC 80, Round 1 Comments of OSSIA at 2-3 (July 27, 2023).

<sup>5</sup> Docket No. LC 80, PGE Round 0 Response Comments at 60-61 (May 31, 2023).

next capacity resource and provides some cost information, it does not state that PGE has made the decision to unilaterally switch to that resource in its next avoided cost update nor does it provide the detailed information and inputs that are posted in PGE’s workpapers.<sup>6</sup> Stakeholders are left to guess at PGE’s intentions or what exactly PGE means by its “interpretation” of the preferred portfolio. Stakeholders are then required to go digging in the IRP data files to attempt to locate each of the appropriate inputs, and then expected to re-create PGE’s work papers in order to arrive at the basic draft information that PGE is required to provide under OAR 860-029-0080(3).

In this docket, PGE has now set forth its intentions and interpretations, yet it is still extremely difficult to review and verify PGE’s assumptions. The vast majority of PGE’s inputs for plant capital costs refer to the “2023 IRP revenue requirement model” as the source for the information, and at least one value states its source as a “Seth drafted value.”<sup>7</sup> These are vague and unverifiable on such a short turnaround time.

In addition, PGE is proposing a major shift in its methodology. Using a 4-hour battery as a capacity resource instead of a gas plant has other implications and considerations besides simply updating the cost of the resource. For example, what are the assumptions about how the battery is charged and how those costs are accounted for? Stakeholders should be given an opportunity to review this new shift and vet the inputs and assumptions.

Further, if the Commission is concerned about ensuring that PGE makes progress towards its clean energy targets, PURPA is a powerful tool to enable utility acquisition outside of the

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<sup>6</sup> See Exhibit A, PGE’s 2024 Update to Schedule 201 Work Papers (Mar. 18, 2024), “Plant Cap Cost” Tab.

<sup>7</sup> See Exhibit A.

traditional requests for proposals process. Ensuring viable pathways for qualifying facility acquisition requires that the avoided cost rates be appropriately examined and vetted. The short timeline and other factors noted in this filing simply do not allow adequate time to do so.

Rather, as is typically the case in these avoided cost updates, space should be made for stakeholders to participate in workshops and time to independently examine the workpapers with appropriate experts. In the past, workshops have been immensely helpful to walk through PGE's workpapers and give all stakeholders a common understanding of each of the inputs and calculations. And given that certain experts are out of the office for spring break, the additional time, would allow stakeholders an appropriate opportunity to independently review the data and calculations.

In conclusion, had PGE complied with the Commission rule to provide its draft avoided cost information at the time it filed its IRP, then stakeholders may have had sufficient information and time to adequately review, verify, and comment on PGE's inputs in the IRP docket. While the Commission has stated that, the IRP would not have been determinative, that additional process could have at least provided this docket with additional information that could have been informative and/or persuasive as to the appropriate course of action here. The Commission's rule requiring that such draft information be provided at the time the IRP is filed is an important balance against the 30-day effective date when the post-IRP avoided cost filing is produced in this docket. Without that balance, and in light of PGE proactively adopting changes that are slated for a full vetting and review in the UM 2000 docket, a waiver or alternatively suspension is warranted to provide stakeholders additional time to review.

Dated this 29th day of March 2024.

Respectfully submitted,

Oregon Solar + Storage Industries Association

**/s/ Jack Watson**

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Jack Watson  
Director of Regulatory & Policy Affairs  
Oregon Solar + Storage Industries Association  
PO Box 14927  
Portland, OR 97293  
(775) 813-9519  
jack@oseia.org