

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 610

In the Matter of
Rulemaking Related to Incremental Cost of
RPS Compliance

STAFF WORKSHOP AGENDA AND
ISSUES LIST

The Public Utility Commission of Oregon will hold a Staff workshop in this docket as follows:

DATE: June 9, 2020

TIME: 1:00 pm to 3:00 pm

LOCATION: Held via Webinar
<https://attendee.gotowebinar.com/register/8822766481826276622>

For questions, please contact Natascha Smith, 503-559-7752, natascha.smith@state.or.us

Staff is holding this stakeholder webinar to initiate discussion of the issues and inform Staff's development of proposal around the timing of the incremental cost calculation as well as the appropriate proxy resource.

Agenda

1. Introductions (1:00-1:10)
2. Background (1:10 – 1:25)
 - a. Recap of where docket left off
 - b. Overview of 4/10/20 comments
3. Discussion on incremental costs under different scenarios (1:25-1:45)
4. Discussion of timing of incremental cost calculations (1:45-2:15)
5. Discussion of proposed proxy resources (2:15 – 2:45)
6. Next steps (2:45 – 3:00)
 - a. Schedule

Issues List for Discussion

1. How might regulatory or policy changes affect how we think about incremental costs under the following scenarios?
 - a. If the RPS obligation is increased to 100%
 - b. If cap-and-trade is adopted
 - c. If utilities make large green energy commitments
 - d. If more renewables are needed to serve load in cities/communities with renewable energy commitments
 - e. If economic forces make renewables the least/cost least risk resource
2. Should we distinguish RECs acquired for RPS compliance from other recs for purposes of the total cost calculation? If so, how?
 - a. Choose not to include in incremental cost calculation
 - b. Include these RECs but assign them zero incremental cost
 - c. Are there other viable options?
3. Timing of the incremental cost of compliance calculation
 - a. Counting costs of recs at generation vs. Retirement
4. Available proxy resource choices: what are the pros and cons associated with using each of the proxy resources below?
 - a. Use the same resource with a hypothetical rec sale representing the opportunity cost of retiring instead of selling the recs
 - b. Use SCCT in addition to CCCT to establish capacity equivalence
 - i. To create a capacity-equivalent proxy CCCT, the fixed costs of a SCCT would be subtracted from the cost of the proxy CCCT. The SCCT would be sized to equal the difference between the proxy CCCT's and the RPS resources' contribution to system reliability.
 - c. Use the least-cost, non-qualifying resource from the relevant IRP at the time of resource acquisition.
 - d. Use a proxy resource mix that reflects the electric utilities' actual planned resource acquisitions during the reporting period
 - i. The Commission could use the resource sufficiency/deficiency demarcation already used for avoided costs and IRPs, or the actual resource mix in the last approved IRP