

July 21, 2023

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

RE: UM 2143—PacifiCorp’s Comments on Staff’s Draft Rules

PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) provides these comments in response to the June 30, 2023, draft rules (Rules) provided by Staff of the Public Utility Commission of Oregon (Staff). The Company values the significant effort and analysis that has characterized Staff’s approach to Resource Adequacy in this docket so far and the collaborative engagement with stakeholders that resulted in the latest draft rules after the last workshop. PacifiCorp is generally supportive of the rules that have been provided by Staff but identifies some suggested minor revisions and has further questions that are noted in these comments.

1. The Provision of Commercially Sensitive Resource Adequacy data submission should be explicitly limited to Commission Staff and the Oregon Citizens’ Utility Board (CUB).

3.(b): As part of their Informational Filing, Regional Participants must include all outputs of their Qualified Regional Program’s most recent Advisory Forecast and the Electric Company’s most recent Regional Forward Showing submission to its Qualified Regional Program. These may be included as an Appendix chapter. The Regional Forward Showing will ~~must~~ be provided to only the Qualified Parties upon request.

PacifiCorp appreciates Staff’s consideration around the concerns raised in the most recent workshop with regards to protection of the commercially sensitive information in the Regional Forward Showing. PacifiCorp’s understanding of Staff’s revisions on this section would limit the distribution of this information to Staff and CUB. PacifiCorp’s minor edits identified above are intended to serve two purposes. The first purpose is to explicitly ensure that this Regional Forward Showing is only available to Staff and CUB. The second is to make this information available upon request. The Regional Forward Showing is a data voluminous filing and without the significant modeling software and a Western Electric Coordinating Council wide database, this information may not provide a significant source of useful information. PacifiCorp is willing to provide this information to Staff and CUB, but it may be a more appropriate procedure to provide this information upon request rather than as a standard data submission.

2. There are certain limitations on the information that PacifiCorp will be able to provide in the Informational Filing that is requested to accompany the Integrated Resource Plan (IRP).

Detailed information about PacifiCorp load and resource balance and PacifiCorp’s open position to purchase transmission as identified in section 3, subpart c and d, cannot be provided in a

public document like the IRP. This information has the same concerns and must be protected at the same level as the Regional Forward Showing. However, PacifiCorp can speak generally to how the Company's purchasing and hedging strategy fit into the overall resource strategy. Additionally, the capacity contribution and the planning reserve margin are calculated very differently when comparing the IRP and the Resource Adequacy filing for the Qualified Regional Program's Advisory Forecast. Detailed comparisons of the differences in the calculation may not be possible, however a high-level discussion of the differences between how these numbers are calculated could be included in the Informational Filing.

Finally, PacifiCorp is unclear on Staff's reference to an Effective Load Carrying Capability curve. Individual utilities do not have access to the methods and data that is available to the regional resource adequacy program and so would not be able to provide that same level of analysis.

3. It is not appropriate to establish a standardized resource adequacy backstop charge.

PacifiCorp is deeply concerned that any proposal to establish a standardized resource adequacy "backstop" charge would not only result in inappropriate cost shifting, but raise significant legal issues. Any such requirement would mandate that PacifiCorp's cost-of-service customers subsidize an Electric Service Supplier's (ESS) resource adequacy obligations. PacifiCorp would either have to provide capacity from resources paid for by cost-of-service customers to support an ESS's resource adequacy obligation or purchase a capacity product in the market. An ESS would have the same opportunity to purchase these products in the market to meet their resource adequacy obligations, and it is not appropriate to shift the risk of procuring that product from the ESS to the utility and its customers. This could lead to increased costs for Oregon customers, either through the need to procure additional resources or decreased sales at market prices. This would be bad policy because it would constitute an unwarranted cost shift. Furthermore, any such transaction would be a wholesale energy sale between two energy service providers. As such, it appears to be outside the scope of this proceeding and the Commission's jurisdiction.

4. PacifiCorp supports Staff's proposal on the penalties for the State Program.

PacifiCorp supports Staff's proposal to base the fine for the State Program on the same methodology as the Qualified Regional Program. This methodology will ensure that State Program participants have sufficient resource adequacy to ensure they do not lean on other participants. Additionally, ESS decertification could be considered as an alternative penalty.

PacifiCorp appreciates the opportunity to provide these comments, and looks forward to continuing to actively participate in the development of these rules.

Sincerely,



Matthew McVee
Vice President, Regulatory Policy and Operations