



Comments of the NW Energy Coalition

Portland General Electric – Distribution System Plan – Part 2 Docket No. UM 2197

The NW Energy Coalition (NWECC) is very pleased to submit these comments on the Portland General Electric (PGE) Distribution System Plan, Part 2, filed on August 15, 2022.

NWECC appreciates the extended efforts by PGE, stakeholders, and the Oregon Public Utility Commission have brought us to the final stage of the first full cycle of a new approach to distribution system planning.

We view the Company’s combined distributed system plan (DSP) filing as a major step forward in achieving a more balanced and in-depth approach to distribution system planning and operation that will bring substantial benefits to customers and help achieve the State of Oregon’s clean energy and climate goals.

In these comments we summarize some observations on the Part 2 filing and also on the potential direction going forward.

Community Engagement

NWECC appreciates the amount of effort and thought that PGE has incorporated into its community engagement plan. NWECC is aware that community engagement is nascent work for utilities and can be challenging to get right. We highlight the careful consideration and thought that PGE has incorporated into the Distribution System Planning process and we encourage PGE to continue engaging meticulously with its communities.

NWECC will not be discussing every detail included in PGE’s community engagement plan; however, we would like to point out and discuss what we consider some of the key points of community engagement included in PGE’s plan.

Equity Lens

NWECC commends PGE for incorporating an equity lens into its decision-making processes for DSP. NWECC believes that this is a crucial aspect of community engagement that should be

incorporated and standardized across all utility planning and acquisition processes. In its DSP filing, PGE states:

Using an equity lens can serve as a tool by showing how a particular decision, policy, program, planning, and engagement initiative will benefit or impact people. PGE commits to applying an equity lens because the lens provides us with a reflective framework that intentionally works to uncover potential or actual impacts of our actions. This lens will help us identify whether we are missing anything or anyone or creating unintentional barriers as we think through our planning and engagement activities.

Questions in PGE's equity lens framework include:

- What decision is being made?
- Who is at the table?
- How are decisions being made?
- What assumptions are at the foundation of the issue?
- What data or information is available, and what is missing?
- How will resulting benefits and burdens be distributed?

NWEC believes that these are important questions to be considered in an equity lens framework. However, we also support the inclusion of questions that encourage more proactive and collaborative thinking from PGE.

Questions that would encourage this thinking would come about even before “what decision is being made?” PGE should be asking, for example, “what is the current state of the energy system in the community?” If the answer to that preliminary question calls for action on PGE's part, then the next step would be to call on representatives from the community to come to the table to discuss options to address the discovered issue.

This way, instead of PGE bringing a pre-determined decision to the table to discuss, the community can be involved from the outset to discuss possible remedies to address the issue that directly affects them. This work would not only be inclusive of the community but will likely have transcending benefits, including more community resilience, shared economic benefit, and better relationships between utilities, communities and customers.

NWEC encourages PGE to apply this framework as it goes about performing its grid needs identification process and hosting capacity analysis. This framework is the root of a human-centered planning approach.

Activating CBO Participation

NWEC applauds PGE for its efforts in creating spaces that are specifically intended for community-based organizations and engaging in capacity-building efforts to help community based organizations (CBOs) become more familiar with the technical aspects of distribution system planning. Based on our observations, the materials that were shared and the mode for

presenting at these workshops were appropriate and conducive to increased participation from community groups. We encourage PGE to continue to hold these capacity-building workshops.

However, NWECC has also heard that although the workshops were indeed helpful in getting organizations to understand distribution system planning, no actual on-the-ground work has resulted from these workshops. Community-based groups feel as though they did not have the space to collaborate and co-develop actual distribution system-level projects that could be incorporated into individual communities. NWECC, therefore, encourages PGE to follow up on this good work by creating dedicated spaces for community members to co-develop climate-smart and resilient projects to actually be built.

Equity Considerations in T&D Project Scoring

NWECC appreciates PGE for being transparent about its scoring criteria regarding transmission and distribution system (T&D) projects. However, we would like to see an additional metric on how equitable an identified project is.

For a project to score well on equity, it should first and foremost be built in and endorsed by historically underinvested-in communities or other disproportionately negatively impacted communities. Such projects should add community benefits that cover, inter alia, community resilience; positive economic impact, including community ownership; and positive health and environmental benefits. Further detail on equity scoring criteria can be developed with PGE's stakeholders, including its respective scoring. The inclusion of an equity metric and score should be seriously considered and applied across all of PGE's project scoring criteria.

Further Action

In sum, NWECC believes that PGE is taking steps in the right direction in its Distribution System Planning process. We encourage PGE to ramp up its on-the-ground community engagement and equity considerations in this docket while also streamlining this work with other relevant dockets and planning processes. We continue to push PGE to engage with its stakeholders in co-developing projects from the solution identification phase through the project implementation phase.

NWECC appreciates PGE's work thus far in this docket and is always available to collaborate with PGE regarding community engagement and equity considerations.

Load Forecast, Grid Needs and Solutions

Concerning the many in-depth technical aspects of the DSP Part 2 filing, NWECC offers the following comments.

On load forecasting, we recognize the intricate effort required for standard distribution load forecasting is now being enhanced with more data-intensive analysis, in response to new

demand drivers that are creating an even more dynamic load environment going forward. For the first time in decades, in response to changes in technology, policy and markets, major new load is poised to come on the system from transportation and building electrification.

In response, a notable element of the Part 2 filing is the description of the AdopDER model, a very beneficial step toward integrated load assessment that will gain further value with additional refinements.

In our view, the time, effort and cost involved in staying ahead of these developments is essential to assuring the full availability of the distribution system to provide increased reliability and resilience, new forms of customer choice for grid participation, improved operational flexibility and reduced stress on distribution system components, and overall customer benefits.

While this is sometimes characterized as “moving to a 2-way grid,” as we have learned already in the DSP effort, export of customer-generated energy to the distribution system is just one part of the changes in daily and seasonal load shape and associated customer side resource capabilities. As the PGE analysis shows, behind simple terms like “load shape” are a great variety of perspectives and metrics. This helps build toward multi-attribute approaches to defining grid needs and identifying a range of solutions.

In addition to the time component, we are learning the importance of spatially explicit assessments. Some of the most informative parts of the DSP filing are Figures 23-26 showing the geographic dispersion of electric vehicle registrations and battery storage. But as previously mentioned, these should not be taken as projections of future outcomes.

As the filing notes with regard to Figure 28, showing anticipated EV saturation overlaid by DEI and resiliency scoring:

By 2030, the top 20% of census tracts for residential solar PV adoption generally fall outside of those census tracts within the top 20% based on DEI and Resiliency indices. This indicates that, given current program designs incorporated into AdopDER, forecasted PV installations would tend to be comparatively lower within environmental justice (EJ) communities compared to the rest of the service territory, all else equal.

Because vehicle electrification, storage, demand response and customer side generation are all resources that can be developed in all communities, we anticipate seeing the early “hot spots” evening out over time, and DSP playing an active role in foreseeing where enhanced carrying capability on all distribution feeders and circuits will be required.

There is an additional point we have made for other filings. PGE appears to limit the definition of DERs (distributed energy resources) to those that can export power to the grid, for example, customer side solar and battery storage. But the scope of DERs is often interpreted as including other resources such as energy efficiency and demand response. NWECC has adopted the term “customer side resources” to emphasize that while each type of resource has different capabilities, they are also related by customer investment, control and choice, and can

contribute – at each customer site and in aggregate – more than the sum-of-the-parts in grid value.

NWEC found the case examples in the filing very helpful. Naming only two, the Willamette Valley Resiliency Project and the Eastport project illustrate the unique nature of the underlying issues for distribution needs for a given area and the localized fit that proposed solutions must have. At the same time, consistent application of filters and comparative scoring is needed to prioritize the application of solution sets.

As a result, we have significant concerns whether the weighted scoring in the Distribution Planning Ranking Matrix potentially has an adverse effect on the prioritizing process. For example, Table 21 shows that Level 5 (“system safety and customer commitment”) has a multiplier of 5 and values that are variously 0 or 75. But Level 1 (“system utilization and DG readiness” has a multiplier of 1 and the only outcomes shown are values of 0, 1, and 2.

NWEC realizes that any benchmarking approach will have to make judgment calls on scoring weights. The important shaping effect this ranking tool has merits a closer look to see if scoring weights and other adjustments are appropriate.

We now turn briefly to some interesting aspects of the identification and assessment of non-wires solutions. Figure 48 clearly shows how multi-measure solutions can provide better results than isolating each potential measure. No doubt this requires more detailed data and more complex analysis, but the portfolio value of complementary resources is clearly quite high.

Also, Figure 49 demonstrates the importance of expanding concern about stress conditions from gross peak hours to net peak – in this case, 8 pm. As noted in one example on p. 116, this has important implications for assessing the value of non-wires solutions:

For the Eastport WR1 and Eastport-Plaza grid need, deferring the wired investment by 10 years (assuming the ramped annual relief shown Figure 44) yields an annualized locational value of \$283.39/kW-year. This translates to an approximate twelve-fold increase in the distribution system avoided cost as compared to our current system-wide value used for energy efficiency cost-effectiveness (\$24.39/kW-yr). [emphasis added]

As we are seeing in the other DSP filings, non-wires approaches can offer more value in not only deferring or avoiding traditional wires solutions, but also reducing of marginal emissions and line losses, achieving state policy goals, improving grid resilience, and so on. While this necessarily involves both cost and non-cost aspects that will take some effort to incorporate appropriately into DSP assessments, these blended solutions can offer significant benefits to both the utility and customers.

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/s/

Fred Heutte
Senior Policy Associate, NWECC

Marli Klass
Senior Policy Associate, NWECC

Jeff Bissonnette
Consultant, NWECC