

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2274

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	COMMENTS OF THE ALLIANCE OF
COMPANY,)	WESTERN ENERGY CONSUMERS
)	
2023 All-Source Request for Proposals.)	
_____)	

I. INTRODUCTION

The Alliance of Western Energy Consumers (“AWEC”) appreciates the opportunity to provide the following comments on Portland General Electric’s (“PGE” or “Company”) Notice and Request of Partial Waiver of Competitive Bidding Rules, filed January 31, 2023.¹ As set forth in the Company’s waiver request, “PGE seeks to continue working with the [Independent Evaluator] used for the 2021 [Request for Proposals (“RFP”)], to have the scoring and modeling methodology review occur in parallel with review of the draft RFP, and to have the 2023 RFP review process run in parallel with the 2023 [Integrated Resource Plan (“IRP”)] and [Clean Energy Plan (“CEP”)] docket.”²

As explained in detail below, PGE’s waiver request reveals issues related to a lack of supporting data, timing, and inadequate review processes that arise when a utility attempts to execute an RFP and IRP simultaneously. Such issues are concerning and must be fully examined by the Commission prior to its decision regarding PGE’s waiver request.

¹ Docket No. UM 2274, PGE’s Notice and Request for Partial Waiver of Competitive Bidding Rules (Jan. 31, 2023) (“Notice and Request”).

² *Id.* at 2.

II. COMMENTS

The timing associated with PGE’s waiver request raises serious concerns related to the Commission and parties’ ability to adequately review both the draft RFP and IRP. The competitive bidding rules are explicitly intended to “provide an opportunity to minimize long-term energy costs and risks, complement the...IRP...process, and establish a fair, objective, and transparent competitive bidding process.”³ PGE’s waiver request fails to explain how the Company’s proposal will comparably complement the IRP process and ensure that the public interest is protected. Given these concerns, any approval by the Commission of PGE’s draft RFP should be caveated such that customer interests are protected.

First, PGE’s proposal to conduct the 2023 RFP in parallel with the Commission’s acknowledgement process of the Company’s IRP is based upon a “likely 2026 capacity need” and an “anticipated need for additional carbon-free resources” to meet the House Bill 2021 (“HB”) 2023 decarbonization target.⁴ In support of this statement PGE cites to a single PowerPoint slide from an IRP meeting.⁵ No other data is provided, making it impossible for parties to verify whether such a capacity need exists.

Second, assuming that such a capacity need does exist, the timing issues associated with PGE’s waiver request to meet this need must be recognized. PGE proposes that “review of the draft RFP would occur simultaneously with review of the 2023 IRP and CEP, which would culminate with acknowledgment of the final shortlist by December 2023.”⁶ However, this

³ OAR 860-089-0010(1).
⁴ Notice and Request, at 1.
⁵ *Id.* at fn.1.
⁶ *Id.* at 6.

simultaneous track approach creates a risk that the very existence of the RFP will inappropriately influence review of the IRP. If the Commission is aware that lack of acknowledgment or a change to the IRP would result in disapproval of the RFP shortlist, and thus delay resource acquisition, this necessarily puts a thumb on the scale in favor of acknowledging the IRP as PGE has presented it. The goal of an IRP is to “select[] the ‘portfolio of resources with the best combination of expected costs and associated risks and uncertainties for the utility and its customers.’”⁷ Potential disapproval of a utility’s RFP should not impact the Commission’s ability to assess the least cost/least risk portfolio to any degree.

Finally, PGE's waiver request puts the Commission and parties in an unfair position for purposes of reviewing the RFP. The timing associated with PGE’s request will make it essentially impossible for the Commission and parties to review the reasonableness of the draft RFP, which will ultimately be finalized and sent out to the market for bids. Pursuant to OAR 860-089-0250(3)(g), “[a]t a minimum, the draft RFP must include...[t]he alignment of the electric company's resource need addressed by the RFP with an identified need in an acknowledged IRP or subsequently identified need or change in circumstances with good cause shown.” However, under PGE’s proposal, the draft RFP will be filed, reviewed, and approved by June 2023.⁸ That is a mere three months after the IRP is set to be filed, and is well before the Commission acknowledges (or does not acknowledge) the IRP. Accordingly, it is unclear on what basis the Commission will determine that the draft RFP should be acknowledged. PGE requests a waiver

⁷ Docket No. LC 66, Order No. 17-386, Appendix B, at 4 (Oct. 9, 2017) *citing* Order No. 07-002 at 1-2.

⁸ Notice and Request, at 9

of the rule that the draft RFP aligns with an acknowledged IRP, but does not suggest alternative criteria for judging the reasonableness of the resources being sought in the RFP.

Ultimately, PGE's request appears to put the Commission in an unreasonable position. It prevents a rigorous review of the draft RFP in the context of an acknowledged resource need, yet the Company's assertion that it has a resource need that cannot be met in time by pursuing the traditional course must be taken at face value. Consideration of the concerns discussed herein is necessary prior to any Commission decision regarding PGE's waiver request. If the Commission ultimately does approve the draft RFP, AWEC recommends that such approval includes caveats sufficient to put PGE on notice that approval does not give the Company any greater assurance that a final shortlist will be approved, and that PGE should not rely on approval of the RFP to support cost recovery later. Such caveats are necessary to protect customers and further the public interest.

III. CONCLUSION

AWEC appreciates the opportunity to provide comments on PGE's waiver request and looks forward to engaging with the Commission and parties to this docket.

Dated this 31st day of March, 2023.

Respectfully submitted,

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