

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2274

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON,

2023 ALL-SOURCE REQUEST FOR
PROPOSALS.

MOTION FOR SCHEDULING
CONFERENCE AND TO
AMEND PROCEDURAL
SCHEDULE

**(EXPEDITED CONSIDERATION
REQUESTED)**

NewSun Energy LLC (“NewSun”) hereby moves for a scheduling conference, and to amend the current procedural schedule, to allow the stakeholders an opportunity to discuss and consider upcoming events that will likely impact the Commission’s final decisions in this docket. Currently, comments on the Staff Report are due on December 21, 2023, and a public meeting is scheduled for January 4, 2024. As discussed below, the Staff Report addresses a number of critical issues that may be substantially clarified or modified by events likely to occur next January. It would be premature to finalize the RFP design decisions, let alone solicit, accept, or score any bids, prior to February of 2024. The Commission’s decisions in this docket will be better informed, and may be substantially refined, by a short extension of the procedural schedule. NewSun is therefore requesting an immediate scheduling conference, to be held on Wednesday, December 20 or Thursday December 21, if at all possible, to discuss the events detailed below and to make sure that the Commission’s ultimate decisions in this docket are fully informed.

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I. HB 2021 Implementation Guidance

The Commission is expected to issue an order in UM 2273 in mid-January to provide guidance on the implementation of HB 2021. At the time the schedule was established in this docket, the Commission's final order in UM 2273 was expected to be issued on December 15, 2023. In other words, it was anticipated that the stakeholders and the Commission would have the benefit of the outcome and decisions in HB 2273 by the time the RFP design was finalized. This sequencing is extremely important because the decarbonization mandates and policy goals set forth in HB 2021 are, in large measure, to be implemented through the utilities' respective resource procurement processes—which is precisely what is now being designed in this docket. The final decision in UM 2273 may inform the RFP design with respect to matters ranging from: (a) in-state benefits (and whether and how RFP scoring should account for community benefits in Oregon, jobs, grid resiliency, etc.); (b) what *continual progress* means within the planning period for procurement of non-emitting resource; (c) taking actions *as soon as practicable* to reduce greenhouse gas emissions (i.e., immediate renewable resource procurement); and (d) compliance mechanisms or penalties. Indeed, it would be somewhat backwards to approve the design of a resource procurement before knowing exactly what should be procured, where it should be procured, and when it should be procured.

This is especially so when the final order of UM 2273 is just a couple weeks away. Inevitable or likely risks of ambiguity and implementation of the evaluation of as-yet unknown Commission orders and guidance creates not only higher degrees of subjectivity of implementation (i.e., RFP bid evaluation per issue), but inevitable inefficiencies of developing, discussing, and actualizing *how* to evaluate and score any such matters, which will bog down the IE, PGE, and eventually Staff processes as well. This is in addition to the likelihood for potential

controversy and need to reopen such matters either shortly after the RFP Design order itself or in the middle of the RFP Bid Evaluation process, depending on new information and UM 2273 order content. These risks and delays can easily be avoided by merely creating a small amount of space at the front end of the RFP to adapt responsibly -- and ensure due process and due stakeholder review, comment, briefing, and participation opportunities on these critical matters.

II. 2022-2024 TSEP Report

One of the critical paths for submitting and scoring bids, and for successfully procuring new renewable resources in compliance with HB 2021, is timely interconnection and transmission. NewSun is concerned that projects will be bid into the RFP that have merely submitted transmission requests but actually have no viable pathway to obtaining transmission service. There are currently over 17,000 MW of transmission service requests in BPA's study (TSEP) process. Due to limited available transmission capacity, the vast majority of these projects will never receive an actual offer of transmission service for the immediate or near term. It will be critical to design the RFP to be able to discern projects with viable plans transmission service requests from those that are merely wishful thinking. This sorting process will be greatly enhanced and informed after BPA released its TSEP Report in early to mid-January of 2024. The TSEP Report will definitively say whether some TSRs will: (i) be offered service outright; (ii) have a near term path to service (perhaps contingent on minor upgrades already identified in BPA's Evolving Grid priority projects, like the PGE/BPA interface projects); (iii) might require multi-year (indefinite timeframe) transmission upgrades to offer service; or (iv) be denied completely.

Given the accelerated and compressed review timelines for the RFP, it is particularly important that clear eligibility criteria around transmission "plans" are well defined and

consistently implemented. This will ensure the IE and RFP review team are not burdened with excessive numbers of non-viable bids with transmission “stories” to review, evaluate, and apply discretion too--especially given the current proposed framework in which there will not be any publicly facing transparency on how transmission “plans” to ultimately get time-relevant transmission service offers (including those of PGE-related bidders) will be evaluated.

As with the Commission’s decision on implementation of HB 2021, it was always assumed that that the Commission would have the benefit of the BPA TSEP Report by the time it approved PGE’s RFP design in this docket. Indeed, the TSEP Report was originally expected in May or June of 2022. At the time of the Commission’s workshop, which informed the schedule in this docket, BPA’s TSEP report for 2022 TSRs was expected by the Fall of 2022. Meaning that at most, if not all, points along the way in this docket, the Commission and stakeholders expected that the PGE RFP design and bids would have the benefit of the results of the TSEP Report to inform the bids, evaluation, and scoring of the PGE RFP.

III. BPA GI Reform (TC-25):

As with transmission service, the RFP design and bid review process needs to be able to discriminate between projects that have a viable interconnection pathway from those that do not. When the transmission/interconnection workshop occurred in July 2023, it was not yet apparent or fully confirmed what BPA’s final policies would be on interconnection reform. That has since occurred. BPA will require all LGIRs show (i) concrete site control; and (ii) a Commercial Readiness demonstration, by June 30, 2024 (plus cure periods). Those queue positions failing to do so will be removed, and the entire queue will be re-stacked. There is also a major push for BPA to finish whatever studies it can before June 30. Depending on status of those reports, certain queue positions may be able to be fast-tracked, deemed “Late Stage,” and/or be grandfathered into

the current serial process. Generally, projects need a Facilities Study, SIS, or BPA designation of being “late-stage” worthy (simple interconnection). *All other queue positions* will be relegated to Transition Cluster study process. Any transition cluster queue positions are (with very few exceptions likely) unlikely to complete their *study process* before **June 2027**. Thus, *essentially nothing that is not ahead of the transition cluster dividing line -- grandfathered as serial or Late Stage -- has any chance of being online in the RFP's COD timeline requirements (or even close)*. These factors must be considered in establishing the RFP Design and RFP schedule. These outcomes will be tentatively known or knowable in Q2-2024 (and some earlier), but definitively known by late July 2024. The RFP should avoid ambiguity and implementation of the evaluation of interconnection that will be known.

NewSun also understands that NIPPC has commented in the BPA TC-25 review workshops that utility RFPs should be better coordinated with (if not—strictly aligned with) BPA interconnection and transmission processes. While NewSun does not necessarily agree that a rigid approach here is universally achievable, due to practical realities of specific projects and locations, the Commission should not miss an opportunity to realize material benefits when an opportunity organically arises to allow those benefits of process coordination merely by tweaking a few dates in the RFP design procedural schedule, without material adverse impact to the resource procurement schedule, given the clarity and efficiency of action that it would provide.

IV. Proposed Modifications To Procedural Schedule

Based on the forgoing, NewSun proposes for discussion the following modifications to the procedural schedule. Parties may still submit initial comments on the Staff Report on Thursday, December 21 as per the current procedural schedule. The January 4, 2024 public meeting on this docket would be suspended. All Parties, including Staff, may submit

supplemental comments within a reasonable time after the Commission’s order in UM 2273—which comments would likely be due on or about January 26, 2024. Assuming that is the case, Staff would then issue a Final Report on RFP Design on or about February 2, 2024, which Final Report shall among other things propose an updated RFP schedule taking into account stakeholder comments and new information on interconnection, transmission, and HB 2021 implementation. The Final Report would be subject to a public meeting to be scheduled by the Commission in mid-February of 2024.

NewSun’s request would not cause a delay in any resource procurements by PGE—and may actually accelerate them. First, NewSun notes that the proposed RFP Schedule is not easily accessible in the UM 2274 docket—and had to be cut and pasted together using information contained on PGE’s website. There should be greater transparency in how the procedural schedule in this docket affects the RFP schedule. That aside, while certain preliminary dates in the PGE RFP schedule would likely need to be revised and possibly compressed, this would not necessarily require a delay in the current bid deadline of March 15, 2024, or the rest of the RFP schedule. Indeed, if the Commission issues a final order on RFP design immediately prior to issuing an order in UM 2273 or receiving the BPA TSEP Report, then this would be grounds for stakeholders to file requests for reconsideration or rehearing and possibly even seeking judicial review of the RFP design final order. The Commission would then have to consider the UM 2273 Order and TSEP Report *after* the fact—and most likely issue a modified order in this docket adjusting the RFP design accordingly. Thus, denying NewSun’s request would only delay the inevitable—and would do so in a way that would have a greater impact to the overall RFP schedule.

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V. CONCLUSION

NewSun notified interested parties of its intent to request a scheduling conference by email at approximately 1:25 p.m. on December 19, 2023. Staff and PGE each responded indicating that they would oppose changing the January 4, 2024 public meeting date. Neither Staff nor PGE offered any objection, disagreement, rebuttal, or explanation as to the substance of the issues underlying NewSun's proposal--other than simply stating that they did not wish to change the Public Meeting date. No other party directly responded. Due to the need to file this motion on an expedited basis, NewSun was unable to confer further with parties. NewSun requests expedited consideration of this motion.

Dated this 20th day of December 2023.

Respectfully submitted,

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