BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

LC 56

In the Matter of	Final Comments of Renewable Northwest	
PORTLAND GENERAL ELECTRIC		
2013 Integrated Resource Plan		

Renewable Northwest appreciates the effort made by Portland General Electric (PGE's) Integrated Resource Plan (IRP) team to be receptive to comments made by stakeholders and Oregon Public Utility Commission Staff (Staff). Generally, we believe that the dialogue in this IRP review positions PGE, Staff, and stakeholders well for the next IRP. Here, we provide closing comments on just a few issues.

Resource costs & performance. PGE responded to the resource cost issue raised by Renewable NW and Staff by seeking further detail on the recommended approach. Renewable NW recommends that, for the 2015/16 IRP, PGE employ a consultant with a deeper understanding of costs and performance characteristics (i.e., capacity factor) specific to renewable resources. For instance, while traditional firms like Black & Veatch may be able to cover all types of generating resources under one contract, firms like DNV GL, Natural Power, and AWS Truepower may have stronger connections to the renewable energy industry. Engaging a second firm—even on a one-time basis—and paying particular attention to differences (if any) in renewable resource assumptions would be well worth the cost to reduce areas for stakeholder disagreement on basic inputs in the very important IRP to come. Further, while Renewable NW certainly does not expect PGE to rely solely on developer or supplier quotes (which could not be the basis for a public IRP document anyway), Renewable NW does recommend that PGE meet with developers and suppliers to vet initial numbers provided by consultants. Letting stakeholders know that such meetings took place, where areas of divergence arose, and how they were addressed in consultants' final reports would provide greater confidence in the ultimate results.

PGE is correct to note that predicting the further decline in solar pricing is a difficult challenge. A declining cost curve sensitivity and/or trigger point analysis is the best

recommendation we can provide. We look forward to working with PGE in the next IRP to improve the trigger point-type analysis from the initial presentation in Appendix D.

Finally, with respect to capacity value analysis, Renewable NW appreciates PGE's openness to further discussion of how to credit solar's value in meeting summer peaks and supports Staff's recommendation for a more comprehensive wind capacity value analysis (this should include both more resources *and* more hours). Again, Renewable NW requests that the Commission provide further insight about what it believes is the best forum for resolving important input assumptions, of which capacity value has become a major one. Renewable NW acknowledges the Oregon Department of Energy's suggestion that a docket separate from the IRP may be appropriate, given the IRP's emphasis on company direction and acknowledgment of preferred portfolio action items rather than inputs.

<u>Climate and carbon</u>. Renewable NW appreciates and supports Staff's suggestion that the next IRP investigate life cycle carbon emissions associated with increased use of gas resources as well as climate change impacts facing PGE's system, as context for making least-cost, least-risk decisions for the long term.

Respectfully submitted this 25th day of July, 2014.

Megan Decker Chief Counsel

Renewable Northwest

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I served the foregoing FINAL COMMENTS OF RENEWABLE NORTHWEST upon the following parties on the service list for LC 56, via electronic mail, on July 25, 2014:

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