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Date: January 12th, 2024

Re: PGE IRP/CEP Report filed in Docket No. LC 80

PGE filed its bi-annual Integrated Resource Plan (IRP) update on March 31st, 2023. With this filing also came the highly anticipated joint filing of its Clean Energy Plan (CEP) as instructed under HB 2021 directing utility companies in Oregon to implement clean energy goals within its IRP to showcase a resource portfolio that would comply with the state's set goal of 100% decarbonization. This era of IRP/CEP's will be highly critical in ensuring utility companies develop a least cost/least risk portfolio that meets the state of Oregon standards. Each customer class will be impacted by acknowledgement by the Commission of PGE's future planning analysis, and each of these customer classes contribute to the grid uniquely based on their electricity management and consumption. These comments are meant to address Staff's report and recommendations with focus on small business or small/non-residential utility customers which is the second most numerous class of ratepayers in the state of Oregon. Small business advocates such as SBUA in 2023, and supporters such as myself in 2024, have been actively tracking LC 80 and although this process is at the cusp of acknowledgement, I believe input specifically focusing on the small business customer will serve valuable as PGE continues to fine tune its CEP.

*Staff Recommendation 1. Acknowledge PGE's CBRE Action Item subject to the condition that PGE pursue the broader range of procurement actions that it identified in comments in this docket.*

I appreciate Staff's recommendation touching on the required emphasis PGE should place on community-based renewable energy (CBRE's) resources. AWEC, however, recommends Commission to not adopt Staff's recommendation due to the potential rate impacts on customers who will be affected by utility rate increases as the cost of decarbonization will contribute to these rate increases. AWEC's makes a solid point and rate increases effects costs of operations for the regular small business owner depending on how rate increases are negotiated. CBRE's, though, are recognized for the role they will play in complying with HB 2021. Staff issuing the condition referenced above provides an opportunity for deeper dialogue on the direct community benefits and impacts which provides a great platform to highlight how small businesses are defined within "communities".

As a participant on behalf of Small Business Utility Advocates (SBUA) Oregon in Portland Clean Energy Fund's (PCEF) roundtable topic "Small Commercial Buildings" regarding

its Climate Investment Plan (CIP), the definition of “small business” and its intersectional role to its “community” demonstrated the ground that remains to be covered when discussing higher level investments such as CBRE. These included the balance between building owners and business owners, priority in BIPOC small business, the role electrification transportations plays in this sector, etc. Local resiliency was referenced throughout the PGE’s IRP sections where CBRE was heavily featured. In a training video by the Regulatory Assistance Project regarding public participation on IRP’s, Julia Eagle of the Institute of Market Transformation (IMT) gives great insight on how regulators can balance the tension of energy as a commodity versus basic need. Eagle references lessons from COVID-19 and their impact on economic stability and workforce with the relation of utility services and the safety and reliability they provide during uncertain times. Eagle pinpoints the National Consumer Law Center roadmap document to addressing issues such as shut-offs, moratoriums, and forgiving arrearages during the pandemic. Small business in Oregon through the SBUA work of education and representation during the pandemic was very vocal with the Commission on the necessity of energy and the impacts utility service has on maintaining their place of business. If Commissions and the Company are seeking to explore reliability and service quality metrics it is recommended they take pages from the era of the pandemic and reflect on reports such as UM 2114 and their current zip code data pertaining to small commercial (Julia Eagle likewise suggests zip code data to be useful). SBUA Oregon focused on zip code reports and in such work I observed concerning patterns of hardship for small businesses in PGE service territory. Service quality varies for each customer and I urge the Company and Commission to use such tools to track weak spots of resiliency within the small business community.

*Staff Recommendation 2. Acknowledge PGE’s Energy and Capacity Action Items subject to the following condition:*

*Before issuing its next utility-scale RFP, PGE will file a proposal for a Long Lead Time Resource RFI developed via a stakeholder process in LC 80 and facilitate a stakeholder discussion (workshop) on the findings of the RFI and allow sufficient time for stakeholder review of its RFI before proposing its next steps.*

The recommendation referenced above requests additional needed transparency on PGE’s filing. It is understandable that the content within PGE IRP/CEP does not capture the full essence of how PGE will accomplish goals to comply with HB 2021, due to the current parameters of technology and economics and the Commission determining if PGE has reasonably put together a planning document that reflects the conditions of today but offers insights on the potentials of the future. Staff’s response to Renewable Northwest (RNW) recommendation to focus on a broader discussion regarding PGE’s plan on procuring long-lead time (LLT) resources allows for an avenue to explore how such resources are going to be taken into consideration and evaluated given the approaching year of 2030. RNW’s request to include transmission as a LLT resource should also be emphasized. Although it is understandable that Staff sees this as a separate issue due to its characteristics and argues a Request For Information (RFI) is not the preferred method to analyze future transmission projects, rate cases that have been filed are demonstrating the impact transmission will have on appropriate future rate designs for small business customers. Staff do recognize the need to review transmission

constraints, and to seek alternative solutions, and consideration of investments which is encouraging to know and much appreciated. I look forward to the upcoming stakeholder workshop that will focus on a closer observation of LTT.

### Energy Efficiency

I support the emphasis that the Staff and other groups such as NVEC place on energy efficiency (EE). The role that energy efficiency will play within the filings that the public will analyze in the years following the passage of HB 2021 should be a priority role for the Company. It is encouraging to see the amounts of recommendations offered by stakeholders and Staff to push the Company to really examine how energy efficiency can be utilized in meeting the compliance standards of today. The reality of the benefits and value energy efficiency provides in the years since a post-pandemic world where state and federal incentives are strengthening these resources absolutely needs to reflect the current conditions as the traditional planning and procurement framework are not representative of today's current energy landscape. The relationship between Energy Trust and PGE will further enhance customers' interaction with this underutilized resource. Working with SBUA Oregon, I have been tracking Energy Trust budgets and annual reports and they were useful in seeing where energy efficiency resources were popular amongst small business customers such as lightning as well as areas where these types of customers were affected the most. Economic uncertainty, supply and labor shortages, inflation and prices impacted business customers at a more severe level than customers. Small business is a tough nut to crack as their energy consumption patterns vary and their engagement is not so easily captured. The appeal of energy efficiency I believe still remains untapped for small business customers due to economic hardships or lack of awareness, which is why it is especially great to see energy efficiency as a focal point within PGE's customer action proposal.

### Future Expectations/Recommendations

I want to further thank Staff for focusing on "meaningful inclusion of community feedback" within PGE's IRP/CEP process. It is important that regulators continue to increase efforts for creative collaboration with underserved customers to further strengthen the resources and metrics used to maximize the benefits that PGE's IRP/CEP can provide. Which is why for future expectations to be set for the Company, metrics on engagement with small nonresidential customers would be helpful within CBIs and CBIAGs. Due to this I am supportive of Staff's attachment 2 regarding community engagement. Staff asking how the Company is capturing feedback and integrating such input could set forth a stage for customers and stakeholders within its service territory to feel that the CEP is being presented in a manner that is easily digestible and transparent. My feedback would be to recommend that Staff also encourage the Company to closely analyze how they would establish solid metrics for small nonresidential customers as these customers' consumption vary depending on industry or owner.

Sincerely,

/s/ Guillermo Castillo