



# Oregon Citizens' Utility Board

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*via electronic filing*

Public Utility Commission  
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## **RE: LC 82 – CUB Round 1 Comments on PacifiCorp's Integrated Resource Plan and Clean Energy Plan**

The Oregon Citizens' Utility Board (CUB) appreciates the opportunity to provide comments on PacifiCorp's (PAC or the Company) 2023 Integrated Resource Plan (IRP) and Clean Energy Plan (CEP). CUB appreciates the hard work of Staff of the Public Utility Commission of Oregon (Staff), PAC, and all other stakeholders to date in this important proceeding that tasks the Company with implementing the guidance of HB 2021 in its first CEP while simultaneously ensuring that its IRP meets the needs of PAC's Oregon customers.

While the Company responded to some concerns raised by CUB and other stakeholders in its Reply Comments, many of CUB's concerns remain. Namely, the Company has failed to demonstrate that the IRP it has used across its six-state system represents an optimized portfolio of resources to meet Oregon's needs, which includes the need to decarbonize pursuant to HB 2021's mandates.

These comments will address CUB's ongoing concerns with:

1. PAC's proposal to change from closing coal plants to converting them to run on gas;
2. The curious fact that PAC has chosen not to address this major planning change in the IRP or CEP;
3. Modeling carbon costs;
4. How the company is engaging with environmental justice communities and incorporating their feedback into its planning processes;
5. The Company's pathways to reducing energy burden; and
6. Tracking what funding assistance PAC is seeking and receives.

CUB recommends that the Company address the following going forward in this proceeding:

1. Provide evidence and analysis to show why its strategy of assuming the 2023 IRP preferred portfolio as a starting point before examining CEP-specific requirements is the best means to comply with both the CEP and IRP requirements as a whole;
2. Recognize that carbon emissions are having a real impact on PacifiCorp communities and incorporate that impact into its IRP analyses;

3. Explain how it is considering the feedback of environmental justice advocates, including but not limited to the opportunities it offers for providing feedback and analyses of how it has considered this input in this CEP and how it expects to in the future;
4. Provide an analysis of how it can expand its energy efficiency and demand response services; and
5. Provide greater transparency in the Company’s planning processes by filing regular Commission updates on the Company’s external funding opportunities.

## **I. The IRP/CEP May Not Meet Oregon’s Requirements for Commission Acknowledgement**

In Round 0 comments, CUB raised concerns that PAC’s first CEP was merely layered on top of an IRP catered to meet the needs of its six-state system. CUB stated that it was “unclear whether the resource portfolios presented in the IRP are truly the least cost/least risk set of resources to meet Oregon’s needs, *which are driven in part by HB 2021 and other legislative mandates.*”<sup>1</sup> In its Reply Comments, PAC asserts that its 2023 IRP and CEP satisfy the Commission’s standards for acknowledgement, in large part because PAC believes its filing comports with the Commission’s longstanding IRP Guidelines.<sup>2</sup> According to the Company, its filing aligns with the IRP-specific guidelines, which it believes generally complement the Commission’s CEP guidelines. The Company also asserts, without providing sufficient evidence or rationale, that its modeling strategy of assuming the 2023 IRP preferred portfolio as a starting point before examining CEP-specific requirements is the best means to comply with both the CEP and IRP requirements as a whole.<sup>3</sup>

CUB disputes that this stepwise approach of conducting a six-state IRP analysis before even looking at Oregon’s CEP requirements is the best means for determining an optimal resource mix for Oregon customers. This is especially true given the significant emphasis placed on coal-to-gas conversion within the Company’s planning horizon that places significant uncertainty regarding future cost and risk onto Oregon customers and generally fails to align with HB 2021’s binding emissions reduction targets. Further, the Company’s reliance on the longstanding IRP guidelines and assertions that it has presented its stepwise IRP and-then CEP pathway to stakeholders in various public meetings fails to consider direct Commission guidance on this issue. According to the Commission, PAC must “[f]ile a CEP that describes how the IRP *and* CEP have met the planning requirements of HB 2021.”<sup>4</sup>

By merely asserting that its IRP meets the longstanding IRP guidelines, PAC ignores the direction of the Commission on the interplay of the two plans. It is not enough for PAC to model its six-state system and then consider how to implement specific provisions of HB 2021. Under the Commission’s direction, the IRP’s least cost/least risk framework must be examined through the lens of HB 2021’s requirements. PAC’s plan fails to do so. The Company argues that it “would be inconsistent with traditional least-cost least-risk planning to assume that reducing emissions takes priority and should supersede other typical IRP considerations.”<sup>5</sup> However, with

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<sup>1</sup> LC 82 – CUB’s Round 0 Comments at 1 (June 30, 2023) (emphasis added).

<sup>2</sup> See LC 82 – PacifiCorp’s Reply Comments at 3-7 (July 31, 2023).

<sup>3</sup> See *id.* at 7.

<sup>4</sup> OPUC Order No. 22-206, Appx. A, p. 1 (Jun. 3, 2022) (emphasis added).

<sup>5</sup> LC 82 – PacifiCorp’s Reply Comments at 15.

the advent of HB 2021, Oregon no longer operates we are no longer in the traditional least-cost least-risk planning framework. Reducing emissions must not only be considered—it is mandatory, binding law in the state of Oregon.

But it is not mandatory in every other state. CUB fails to understand why it is appropriate to assume that a preferred portfolio that does not reflect any binding carbon reduction is the correct starting point for determining the optimal portfolio in Oregon where significant carbon reduction is mandated. CUB hopes and expects that PAC will meaningfully respond to this issue in its next round of comments.

## **II. PacifiCorp has changed its approach to decarbonization in Oregon, without any discussion in this IRP/CEP**

PacifiCorp based its IRP Preferred Portfolio on a system-wide optimization of resources across the company's six-state service territory. However, this approach relies significantly on gas conversions of existing coal plants which removes the need for Oregon to establish exit dates from these coal plants. Because Oregon's exiting of coal plants was central to the 2020 Multi-State Process (MSP) Protocol (current multi-state allocation agreement), and the SB 1547 coal-to-clean bill, this is a much more fundamental change than the Company represents. This change has implications around the best means to plan for the needs of PacifiCorp's Oregon service territory to meet its legislative mandates in a least-cost, least-risk manner.

CUB has been involved in legislative efforts to decarbonize, including SB 1547 and HB 2021, as well as MSP discussions where the allocation of resources and costs among the Company's six-state system are discussed. It is apparent in these processes that the company's approach to decarbonizing its Oregon territory has changed, but that change has not been highlighted and discussed outside of limited discussions within MSP negotiations.

When the Company began discussions of implementing SB 1547, as well as policies in other states, it envisioned a plan where there would be fixed assignment of resources to each state. Each state would therefore be in control of its resource portfolio to meet its individual state needs. This would allow Oregon to decarbonize its share of the resources.<sup>6</sup>

The 2020 Protocol that was approved by the Commission was based on fixed assignment of resources between PacifiCorp's six states, beginning with coal resources. In testimony in support of the 2020 Protocol, PacifiCorp states that the agreement represents a shift from dynamic to fixed allocation of generation resources:

The 2020 Protocol represents a fundamental shift in how the company proposes to address inter-jurisdictional cost allocation, with the ultimate goal of moving away from dynamic allocation factors and a common generation resource portfolio to a cost-

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<sup>6</sup> See <https://edocs.puc.state.or.us/efdocs/HAH/um1050hah15518.pdf>. This represents one example of fixed resource assignment.

allocation protocol with fixed allocation factors for generation resources and state-specific resource portfolios.<sup>7</sup>

Beginning with coal resources which have different useful lives depending on the state they are serving:

Changing requirements regarding the ratemaking treatment of coal in Oregon and Washington is one driver for the need for a new approach to inter-jurisdictional cost allocation. Even absent state mandates to remove coal from rates, differing views on the longevity of coal-fueled resources has led to divergent depreciable lives for PacifiCorp's coal-fueled generation units across its six states. Some states will reach the end of their depreciable lives for certain coal-fueled generation units within five years of approval of the 2020 Protocol; some coal-fueled generation units, like Jim Bridger Unit 1, will retire within the Interim Period.<sup>8</sup>

But including *all* new resources:

The 2020 Protocol establishes that the Post-Interim Period Method should assign all Interim Period Resources and new resources to states on a fixed, as opposed to dynamic, basis.<sup>9</sup>

This key 2020 Protocol provision was meant to accommodate divergent energy policies by enabling individual states to select a portfolio of resources that met their needs and reflect their views on carbon policy. However, in this IRP, the Company assumes that transitioning much of its coal fleet to natural gas is the best pathway for Oregon and its six-state system.

This IRP represents a different view of the future of PacifiCorp and Oregon's resource portfolio. There are fewer coal retirements than the 2021 or 2019 IRPs and there are more conversions of coal plants to run on natural gas. Because it was Oregon's (and other western states) desire to exit the coal plants, which drove the fixed assignment of resources to states, the switch to gas conversion means there is no longer an assumption that states will be assigned a fixed set of PacifiCorp resources and allowed to pursue their state's energy policy by adjusting that fixed set of resources.

When other states extended the lives of coal plants, Oregon refused to agree. Because of this, Oregon will fully pay off its set of coal resources during the 2020's, as contemplated by SB 1547. Under the fixed allocation of resources, Oregon was expected to replace these coal resources with clean energy resources and end up in 2030 in full compliance with HB 2021's emissions limit. With the natural gas conversions, much of Oregon's share of coal resources will

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<sup>7</sup> See UM 1050, PacifiCorp, Testimony in Support of 2020 Protocol, Lockey, page 8.

<sup>8</sup> See UM 1050, PacifiCorp, Testimony in Support of 2020 Protocol, Lockey, page 14-15.

<sup>9</sup> See UM 1050, PacifiCorp, Testimony in Support of 2020 Protocol, McDougal, page 8.

be replaced by gas resources, and Oregon will need to take additional actions to come into compliance with HB 2021.

Exiting coal plants and replacing that with clean energy was a compliance pathway that was expected to meet the requirements of HB 2021. Repowering coal plants with natural gas requires additional resource actions in order to comply with HB 2021. These represent different compliance pathways to meet the requirements of HB 2021 and the Company has not demonstrated that Oregon is better off with the preferred portfolio it puts forth in this IRP.

Rather than acknowledge this change in compliance pathways and discuss why it decided to make the change, PacifiCorp deflects and argues that it is better left to the MSP process:

Allocation of costs are based on Commission-approved allocation methodologies. PacifiCorp is currently discussing changes to its current allocation methodology with signatories to the 2020 PacifiCorp Inter-Jurisdictional Allocation Protocol, including CUB. Issues regarding a future allocation method are better addressed through PacifiCorp's Multi-State Process (MSP) and Oregon's leadership in that process. Neither the IRP nor CEP are ratemaking exercises, nor do they address the multitude of issues related to allocations.<sup>10</sup>

MSP is not a transparent process. Its negotiations are considered confidential and its outcomes are not brought before the various utility Commissions until an agreement on an allocation protocol, or subset of other issues, is reached. While CUB agrees that the CEP is not the place to decide interstate allocation or ratemaking issues, it is a place to discuss the HB 2021 compliance pathway for Oregon—as well as the costs and risks associated with various HB 2021 compliance pathways.

CUB is not arguing that this fundamental change in the compliance pathway is not in the best interest of Oregon customers. Our concern is that it has not been transparently discussed and there has been no demonstration that it is in the best interests of Oregon customers. The 2021 and 2023 IRPs show that the least cost/least risk solution to PacifiCorp's system is coal conversion to natural gas. And the Oregon CEP begins with accepting the results of the IRP. But PacifiCorp's entire system is not required to decarbonize. HB 2021's requirements only apply to Oregon. CUB's concern is that the compliance pathway for Oregon has changed, and that change has neither been acknowledged nor analyzed as it pertains to Oregon.

CUB hopes and expects that PAC will meaningfully respond to this issue in its next round of comments.

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<sup>10</sup> See LC 82 — PacifiCorp's Reply Comments, page 39.

### **A. This change has implications for decommissioning and cost allocation.**

The Company dismisses CUB’s concern about decommissioning but failed to address it in Reply Comments. Let us restate our concerns. There are decommissioning implications to gas conversion. There are several elements that combine to create a decommissioning problem for these converted coal plants.

- Oregon and other states are depreciating the coal plants at different rates.
- Oregon and other states are growing at different rates.
- Oregon and other states are collecting funds to be used for decommissioning at different rates.
- The Company argues that after gas conversion, it will “continue to use most of the existing plants, except for coal handling equipment.”<sup>11</sup> This is true if coal mines, coal ash landfills and coal ash ponds<sup>12</sup> are considered coal handling equipment.
- Decommissioning costs are difficult to quantify, and it will be difficult to parse out decommissioning costs associated with the coal operations of a plant compared to that same plant’s operation as a gas plant.

Under the 2020 Protocol, when Oregon exits a coal plant, it is assigned decommissioning costs based on estimates of the cost of decommissioning and based on Oregon’s allocated share of the plant at the time of exit. Under gas conversion, Oregon’s share is based on something else. If it is based on the Company’s allocated share of the plant when the gas plant closes, those dates are not known (while the IRP assigns dates, those dates are outside of the action plan and are subject to revisions in future IRPs). Oregon’s share of the plants at that date is not known.

The 2023 IRP shows Oregon growing faster than other states. If Oregon grows relative to other states, after a coal plant has been converted to gas, will Oregon’s share of decommissioning the ash land fill, the ash ponds, and the coal mines increase? While undoubtedly this is a cost allocation issue that the Company will argue is outside the scope of the IRP/CEP, recognizing it as an issue and identifying the size of the problem is not beyond the IRP. The impact of these uncertain costs on Oregon’s resource mix is properly examined in the IRP/CEP setting.

A similar issue exists in the cost allocation itself. Under the IRP, in some cases, gas conversion will happen to coal plants after the date that Oregon has fully paid off the capital investment in the coal plant while other states have not paid off their share. There will be incremental costs of the conversion that Oregon should pay, but beyond that Oregon has fully paid its share of the underlying coal plant. However, because Oregon is expected to grow faster than other states, Oregon’s share of the gasified, formerly coal plant will increase – Oregon will grow into share of the plant that has not been fully paid for. Does this mean that Oregon will be assigned capital costs beyond the incremental cost of the gas conversion – costs that related to the underlying coal

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<sup>11</sup> See LC 82— PacifiCorp’s Reply Comments, page 40.

<sup>12</sup> <https://ashtracker.org/facility/339/jim-bridger-power-plant>

plant itself? PacifiCorp must plan for the operation of its thermal units in a manner that aligns with Oregon law, both SB 1547 and HB 2021.

The IRP may not be the proper place to answer these questions, but they are legitimate issues that grow out of the Company's compliance pathway change and should be addressed somewhere. The IRP or CEP can help us identify and quantify these issues, even if they need to be addressed by the MSP or by the Oregon PUC in a ratemaking proceeding. CUB looks forward to seeing the Company and other stakeholders' responses to these issues in subsequent comments.

### **III. Modeling Carbon Costs While the Social Cost of Carbon Has Come Home to Roost**

As can be seen from the impacts of wildfires that have ravaged the state in recent years, the social cost of carbon emissions is being felt firsthand by PAC's Oregon customers.

PacifiCorp's IRP modeling uses multiple scenarios for gas costs and for CO<sub>2</sub> costs:

Taken together, there are five distinct price-policy scenarios (medium gas/medium CO<sub>2</sub>, medium gas/zero CO<sub>2</sub>, high gas/high CO<sub>2</sub>, low gas/zero CO<sub>2</sub>, and the social cost of greenhouse gases).<sup>13</sup>

Of the five price-policy scenarios, two (40%) assume zero CO<sub>2</sub> costs. One includes high CO<sub>2</sub> and one includes the social cost of carbon. The social cost of carbon is an estimate, in dollars, of the economic and social damage done by each additional ton of carbon emissions.

At the same time, here in Oregon, we have experienced the damage caused by carbon emissions. Hotter, dryer summers have led to environmental conditions that no longer reflect historical conditions. Our forests no longer exist in the same climate conditions that existed when PacifiCorp's system was developed. This has led to significant costs for PacifiCorp. Costs associated with hardening the distribution and transmission system to protect against wildfires, costs associated with liability from the Company's inability to protect its communities from wildfires related to the electric system, and costs associated with higher insurance costs due to wildfires.

Historically, utilities have viewed carbon costs as the forecasted costs of carbon regulation, usually expressed in \$/ton of emissions. For more than a decade, IRPs have recognized the likelihood of carbon regulation in the future and model that as a per ton cost.

While there is not a tax on carbon that applies to PacifiCorp emissions, there are now direct costs related to the impact of carbon emissions. These costs truly represent the social cost of carbon coming home to roost. But now that we can identify actual, real costs associated with carbon

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<sup>13</sup> See PacifiCorp 2023 IRP, page 213.

emissions, that should inform the way we account for carbon in planning, ratemaking, and/or dispatch of plants.

For example, PacifiCorp could forecast the annual cost of carbon from wildfires (prevention and insurance), divide that by its carbon emissions, and allocate the costs of emissions directly to the emissions themselves. This is consistent with the principle of “polluter pays” for the economic impacts of that pollution.

While the ratemaking and dispatch implications of applying a polluter pays principle to PacifiCorp’s carbon emissions are not an issue that can be resolved in the IRP, the planning implications certainly are.

CUB recommends that PacifiCorp eliminate price-policy scenarios that assume zero CO<sub>2</sub> costs. PacifiCorp should identify the \$/ton cost of current carbon costs and current emissions and this should be the minimum that it uses in its price-policy scenarios.

We know that carbon emissions are having a very real impact on Oregon communities. We know that we have to harden the distribution system and account for the costs associated with wildfires. We should recognize that there are real costs being incurred and allocated to customers because of carbon emissions. We should not disassociate these costs from their cause. Instead, by recognizing and allocating these costs to their cause (carbon emissions) in planning, we can incentivize clean energy investments over fossil fuel investments and get to the root cause of our wildfire problem.

CUB looks forward to PAC’s response to this issue.

#### **IV. Environmental Justice Considerations are a Critical Component of CEP Acknowledgement**

CUB continues to hear frustrations from energy justice advocates about whether their engagement in the CEP and IRP processes are being meaningfully considered. One way to show this would be by explaining not only how PAC is reaching out to and working to engage communities, but how that engagement is or is not informing the utility’s planning processes. In CUB’s Round 0 Comments, we expressed wanting to have a better understanding of how PacifiCorp was considering input from communities and environmental justice advocates in its planning. In Reply Comments, PAC listed the ways in which it has engaged with communities.<sup>14</sup>

However, the Company has not provided an explanation or any analyses how community members’ time, feedback, and resources are informing PAC’s CEP. Communities, stakeholders, and utility staff are all investing time into these engagement opportunities. How is the important perspective of communities informing in PAC’s planning process? This should be an easy question to answer and we are curious as to why PAC has not addressed it.

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<sup>14</sup> LC 82 – PacifiCorp’s Reply Comments at 7–9 (July 31, 2023).



Even before HB 2021 went into effect, utilities have been directed to provide for opportunities for public input into its planning processes.<sup>15</sup> In its Reply, PacifiCorp described many ways it has created opportunities for community participation, particularly through its IRP public input meetings that started in January 2022.<sup>16</sup> The Company also describes additional meetings that focus on its Clean Energy Plan (CEP), including the Community Benefits and Impacts Advisory Groups (CBIAG) required by HB 2021.

It is undisputed that HB 2021 sets aggressive emissions' reduction goals.<sup>17</sup> However, utilities are not expected to meet those goals in a vacuum. While one of the law's policy statements acknowledges emissions' reduction goals, the remaining three statements are directly related to engaging communities in the implementation of HB 2021 (emphasis added):

- That electricity “be generated, to the **maximum extent practicable, in a manner that provides additional direct benefits to communities in this state in the forms of creating and sustaining meaningful living wage jobs, promoting workforce equity and increasing energy security and resiliency**”;
- under existing federal and state law, **the state engages in meaningful consultation with federally recognized Indian tribes...**”; and
- the implementation of HB 2021 “be done **in a manner that minimizes burdens for environmental justice communities.**”<sup>18</sup>

While legal issues of statutory interpretation are not at issue in an IRP, it can be helpful to consider how the Commission may interpret this language later when engaged in the planning context now. When interpreting a statute, the Commission will apply the interpretation analysis of *State of Oregon v. Gaines* and will look to the operative provisions of the law and try to figure out the directive from the plain language. If the language is still unclear, the Commission will next look to the context of the statute, like policy statements or testimony.<sup>19</sup> This context allows the Commission to take a step back and look at the big picture to best discern the meaning of the statute at issue. If there is any question in the remaining language of HB 2021 as to what level of community engagement the law expects utilities to make, the Commission may look to these policy statements to provide the context to which CUB believes makes it clear that planning for electricity generation and delivery in Oregon has changed to be inclusive of the communities they serve.

Under HB 2021, environmental justice means “equal protection from environmental and health hazards and *meaningful public participation in decisions* that affect the environment in which people live, work, learn, practice spirituality and play.”<sup>20</sup> CUB thinks it is important that the

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<sup>15</sup> UM 1506, *IRP Guideline 2(a)*, Order No. 07-002 at 8 (“The public, which includes other utilities, should be allowed significant involvement in the preparation of the IRP. Involvement includes opportunities to contribute information and ideas, as well as to receive information. Parties must have an opportunity to make relevant inquiries of the utility formulating the plan. Disputes about whether information requests are relevant or unreasonably burdensome, or whether a utility is being properly responsive, may be submitted to the Commission for resolution.”)

<sup>16</sup> LC 82 – PAC Reply Comments at 7–9.

<sup>17</sup> ORS 469A.405(1); ORS 469A.410.

<sup>18</sup> ORS 469A.405(2)-(4).

<sup>19</sup> UM 1811, Order No. 18-054 at 8–9 (Feb. 16, 2018) (citing *State v. Gaines*, 346 Or 160, 171–172 (2009)).

<sup>20</sup> ORS 469A.400(4) (emphasis added).

Company explain how it is considering the feedback from communities and environmental justice advocates in its planning process, including this first CEP. Environmental justice advocates have expressed frustration in wondering whether their investment in these processes is meaningful.

Importantly, in recognition of the capacity constraints of these nontraditional, public-serving participants, community members and their representatives, they should know how their time and input is being considered. Without meaningful consideration of community input, a significant component of HB 2021 may be lost as we get closer to 2040. CUB supports the comments and recommendations of environmental justice advocates on best strategies for community engagement. CUB appreciates that PAC has committed to advancing stakeholder engagement in its planning processes.<sup>21</sup> CUB hopes the Company will explain how they are considering and have considered community feedback for their preferred portfolio, and even plans to do so in the future.

## **V. HB 2475 – Energy Affordability Act**

CUB requested that the Company provide information on its investment strategy to meet the goals of 2021’s HB 2475, the Energy Affordability Act. We are disappointed in PAC’s answer. While its Low-Income Discount program is bringing significant relief to customers with high energy burdens, we are disappointed the Company has indicated it does not have a long-term strategy for reducing energy burden beyond its Low Income Discount program.<sup>22</sup> There will be lessons learned from the implementation of the utilities’ interim discount programs, but it is not guaranteed that those programs will stay in place as the only strategy to reduce energy burden for the long term.

One consequence of having low income discounts under HB 2475 is that those programs should increase the cost effectiveness of low-income energy efficiency and demand response programs. Normally, cost effectiveness is expressed through the application of the Total Resource Cost Test and the Utility Cost Test. But low-income energy efficiency will save additional costs to the utility system because it helps support energy affordability without discounts. By lowering the bills of low-income customers, energy efficiency programs reduce the discount that those customers receive. This additional benefit of low-income energy efficiency should be considered and should identify additional low-income energy efficiency programs as cost effective.

The Company stated “demand response programs and energy efficiency measures are prominent company strategies for enhancement toward a clean energy future” and that it is maintaining “substantial investment in energy efficiency and demand response programs,” while also “actively pursuing demand-response technologies.”<sup>23</sup> PAC states that “[e]nergy efficiency is an important nonemitting resource available to PacifiCorp, allowing customers to lower bills and gain non-energy benefits, such as a more comfortable home environment.”<sup>24</sup> Given the rising

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<sup>21</sup> LC 82 – PAC Reply Comments at 7.

<sup>22</sup> LC 82 – PAC Reply Comments at 43.

<sup>23</sup> *Id.* at 2, 60.

<sup>24</sup> *Id.* at 87.

costs of utility rates, recently and in the future, energy efficiency is a critical component of keeping utility bills low and meeting Oregon’s energy affordability and decarbonization goals.

As stated in our previous comments, in order to meet HB 2021’s emissions reduction goals, procuring additional energy efficiency is necessary. The ETO is proposing an increase in Oregon energy efficiency programs. PacifiCorp should consider proposing a similar increase across its service territory.

In addition, PacifiCorp should work with the ETO, to expand energy efficiency programs targeting low-income customers, recognizing the benefits of addressing energy burden through efficiency reduces the need to address energy burden through discounts and subsidies.

## **VI. Government Funding Opportunities**

PAC indicated it has applied for three DOE Grid Resilience Innovation Partnership (GRIP) grants and three other federal grants to support CBRE development in Oregon. And PAC just received \$150 million to improve grid infrastructure and wildfire mitigation.<sup>25</sup> CUB is curious how this award will impact the Company’s preferred portfolio. CUB would like to see the Company file regular updates on the status of its grant awards as they are notified. What else has the Company applied for and what would those projects bring to benefit PAC’s customers? It could be helpful for the Company to file funding opportunity status updates regularly at the PUC and make the planning process as transparent as possible.

## **VII. Conclusion**

CUB appreciates the opportunity to comment on PacifiCorp’s IRP/CEP and recognizes the large amount of work that has gone into this process by PacifiCorp, staff and many stakeholders, including several who are new to this process.

CUB is urging the Company to address the following issues:

1. Provide evidence and analysis to show why its strategy of assuming the 2023 IRP preferred portfolio as a starting point before examining CEP-specific requirements is the best means to comply with both the CEP and IRP requirements as a whole;
2. Recognize that carbon emissions are having a real impact on PacifiCorp communities and incorporate that impact into its IRP analyses;
3. Explain how it is considering the feedback of environmental justice advocates, including but not limited to the opportunities it offers for providing feedback and analyses of how it has considered this input in this CEP and how it expects to in the future;
4. Provide an analysis of how it can expand its energy efficiency and demand response services; and
5. Provide greater transparency in the Company’s planning processes by filing regular Commission updates on the Company’s external funding opportunities.

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<sup>25</sup> <https://www.pacificorp.com/about/newsroom/news-releases/selected-for-federal-infrastructure-funding.html>

Respectfully submitted,

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