

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
UM 2059**

In the Matter of

PACIFICORP, dba Pacific Power,

Application for Approval of 2020 All-  
Source Request for Proposals.

COMMENTS OF SWAN LAKE  
NORTH HYDRO, LLC

**I. BACKGROUND**

Swan Lake North Hydro, LLC (“Swan Lake”),<sup>1</sup> in accordance with the ALJ Scheduling Memorandum issued on October 23, 2020 in the above-captioned proceeding (“Oct. 23 Memorandum”),<sup>2</sup> hereby submits the enclosed comments on the Independent Evaluator’s Updated Status Report (“IE Update”).<sup>3</sup>

While Swan Lake commends PacifiCorp, dba Pacific Power (“PacifiCorp”) for allowing pumped storage projects to bid into this 2020 All-Source Request for Proposals (“2020AS RFP”), Swan Lake is disappointed that PacifiCorp’s 2020AS RFP design, modeling, and bid scoring did not actually allow for a comparable, meaningful, or fair evaluation of pumped storage projects on

---

<sup>1</sup> While not officially a party to this proceeding, these comments are also supported by Swan Lake’s affiliate (FFP Project 101, LLC) (together with Swan Lake, the “Project Companies”), which is developing the Goldendale Energy Storage Project. The Project Companies were recently acquired by Copenhagen Infrastructure Partners, which is now the upstream owner of both Project Companies. *See* Notice of Appearance, Substitution of Counsel, and Update of Contact and Ownership Information for Swan Lake North Hydro, LLC and the Goldendale Energy Storage Project, UM 2059, filed Dec. 2, 2020.

<sup>2</sup> *See* ALJ Scheduling Memorandum, UM 2059 (issued Oct. 23, 2020) (providing until December 4, 2020 for parties to file comments on the Independent Evaluator’s update).

<sup>3</sup> *See* Independent Evaluator’s Updated Status Report on PacifiCorp 2020AS RFP, UM 2059, filed Nov. 20, 2020.

the same terms that other resources were evaluated. Thus, in response to the guidance provided in the Oct. 23 Memorandum,<sup>4</sup> Swan Lake submits these comments on the IE Update.

## II. COMMENTS

While Swan Lake appreciates the opportunity to participate in the 2020AS RFP, Swan Lake would like to highlight for the Oregon Public Utility Commission (“Commission”) that the IE Update, and PacifiCorp itself, recognize that the design, modeling, and scoring of this RFP were ill-suited to fairly evaluate pumped storage projects. For example, the IE Update notes that the challenges associated with pumped storage bids “indicate a potential mismatch between the purpose of this particular RFP and the nature of pumped hydro projects.”<sup>5</sup> The IE Update goes on to state that, “A resource with a long lead time simply does not fit an evaluation geared towards projects with shorter construction times, which has a relatively short-term reliability target.”<sup>6</sup> The 2020AS RFP was also ill-suited to fairly evaluating pumped storage because, as the IE Update noted, “Based upon input from [PacifiCorp], the period of time from bid submission to [initial short list] issuance was insufficient to conduct the work that was necessary to validate key assumptions [for pumped storage].”<sup>7</sup> These statements clearly suggest that this 2020AS RFP was not well-designed to fairly evaluate pumped storage resources, a fact which PacifiCorp apparently acknowledged to the Independent Evaluator.

Similarly, PacifiCorp and the IE Update acknowledge the scoring and modeling software used for this RFP had numerous shortcomings when evaluating pumped storage bids. Specifically,

---

<sup>4</sup> The Oct. 23 Memorandum states, “Bidders or stakeholders may have other concerns with the Request for Proposal (RFP) beyond the three issues identified above (sensitivity design, initial bid scoring, and interconnection queue issues). These other concerns or comments may be included in December comments.”

<sup>5</sup> IE Update at § 6.2.

<sup>6</sup> *Id.* (emphasis added).

<sup>7</sup> *Id.*

the IE Update notes, “Through PAC’s modelling and [PacifiCorp’s] independent scoring of these bids, it was observed that the StorageVet program did not provide sufficient documentation of how to adapt the program to account for the parameters of pumped hydro storage.”<sup>8</sup> Such statements in the IE Update further support the conclusion that this RFP did not fairly evaluate pumped storage in the same manner that other resources were considered, primarily due to various modeling and evaluation limitations.

Because of the issues with fairly modeling and evaluating pumped storage resources in this RFP, the IE Update recommends that these issues “should be resolved prior to the next RFP process or a pumped hydro specific solicitation should be considered.”<sup>9</sup> Swan Lake strongly agrees with this recommendation and urges the Commission to make an explicit finding, as part of any subsequent order approving the results of the 2020AS RFP, requiring PacifiCorp to adopt a modeling and evaluation tool for future RFPs that fairly and adequately evaluates pumped storage, or, alternatively, requiring PacifiCorp to conduct a separate, pumped storage specific solicitation. Without an explicit directive from the Commission to improve its modeling, evaluation, and scoring of pumped storage resources, or to conduct a pumped storage specific solicitation, Swan Lake continues to have reservations about the ability of pumped storage resources to be fairly evaluated by a utility through the IRP/RFP processes.

Swan Lake remains committed to working closely with PacifiCorp’s modeling and evaluation teams to provide them with any data or information necessary to improve the tools they use to evaluate future pumped storage bids, or to craft appropriate parameters for a pumped storage specific solicitation. As Swan Lake has repeatedly represented in this (and other) Commission

---

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

proceedings, Swan Lake has done extensive work to improve the modeling and tools that utilities use to evaluate pumped storage, and Swan Lake remains willing to share the benefits of that work with PacifiCorp.

### III. CONCLUSION

Swan Lake appreciates the opportunity to provide these comments and looks forward to continuing the dialogue regarding how to better evaluate, model, and score pumped storage resource bids in future RFPs. To further that goal, Swan Lake specifically requests that the Commission issue, as part of any future order issued in this proceeding, a directive to PacifiCorp that it either: (1) take specific, actionable steps aimed at improving its RFP modeling, evaluation, and scoring tools used to fairly evaluate pumped storage resources; or (2) conduct a pumped storage specific solicitation that better aligns the purposes of the RFP with acquiring, and fairly evaluating, pumped storage resources.

Please direct any questions regarding these comments to Nathan Sandvig or Erik Steimle, whose contact information is listed below.

Dated this 4<sup>th</sup> day of December, 2020.

Sincerely,



Nathan Sandvig  
V.P.  
Rye Development, LLC  
[nathan@ryedevelopment.com](mailto:nathan@ryedevelopment.com)



Erik Steimle  
V.P.  
Rye Development, LLC  
[erik@ryedevelopment.com](mailto:erik@ryedevelopment.com)