

**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 AVANGRID
RENEWABLES, LLC

December 4, 2020

Introduction

Avangrid Renewables, LLC (“Avangrid Renewables”) appreciates the opportunity to submit these comments in accordance with the ALJ Scheduling Memorandum issued on October 23, 2020 in the above-captioned proceeding (the “October 23 Memorandum”).¹ The October 23 Memorandum requested updated information from the Independent Evaluator on issues related to the Application for Approval of the PacifiCorp 2020 All-Source Request for Proposal (“RFP”) including: “(1) initial bid scoring and ranking with explanations of the costs and benefits seen in different locations and with different resources, and (2) the impact of the signed Large Generator Interconnection Agreements (“LGIA”) on the competition at each transmission topology location.” The IE provided its requested updates in its November 20, 2020 filing entitled “Independent Evaluator’s Updated Status Report on PacifiCorp’s 2020AS RFP (“IE Update”).² The following comments are made in response to the October 23 Memorandum and the IE Update.

General Comments in Response to the October 23 Memorandum

In response to the October 23 Memorandum, Avangrid Renewables would like to address an issue known as the “LGIA Issue” that was brought to our attention at the September 22, 2020 OPUC Special Public Meeting. During the discussion of Agenda Item #3 “Discussion of Interconnection Queue Issues”, PacifiCorp and the IE individually presented on an issue described as the “LGIA Issue”.³ In those presentations, PacifiCorp and the IE explained that: for any bubble in which the Locational Initial Shortlist Capacity Limit is consumed by projects with executed LGIAs, all additional projects without executed LGIAs that are bid into that same

¹ See ALJ Scheduling Memorandum, Docket No. UM 2059, issued Oct. 23, 2020 (permitting parties to file comments on the Independent Evaluator’s updated status report until December 4, 2020).

² Independent Evaluator’s Updated Status Report on PacifiCorp 2020AS RFP, UM 2059, filed Nov. 20, 2020.

³ Notice of Special Public Meeting and Agenda, UM 2059, issued Sept. 17, 2020, <https://edocs.puc.state.or.us/efdocs/HCB/um2059hcb11124.pdf>.

bubble would not be considered in the economic modeling process to determine the Initial Shortlist (“ISL”). The chart that PacifiCorp provided entitled “LGIA Impact on RFP Initial Shortlist” illustrated that over 15,000 megawatts of potential capacity of bid-in projects may not be eligible for consideration in the ISL.

The revelation that PacifiCorp might cull the ISL due to receiving more bids with executed LGIAs than available capacity in specific topographical areas was perplexing and appeared to be a departure from the terms of the Commission-approved RFP. We did not believe this planned treatment of projects and bids with executed LGIAs was appropriately communicated nor clearly disclosed to potential bidders in any of the RFP workshops or in the materials produced and provided to bidders for the purposes of the RFP.

Following the September 22, 2020 meeting, Avangrid Renewables submitted a letter to PacifiCorp on October 2, 2020 requesting formal responses to many questions it had compiled as a result of the materials presented. Avangrid Renewables also conducted outreach to Commission Staff, the IE, other developers, and public interest groups to better understand and determine where the “LGIA Issue” had clearly been articulated in the context of the RFP. In the resulting conversations, Avangrid Renewables discovered that it was not the only entity that was confused by this treatment of bids with projects with executed LGIAs and concerned by the expected elimination of around 15,000 MWs of potentially viable projects.

On October 9, 2020, PacifiCorp posted its response to Avangrid Renewables’ letter on PacifiCorp’s public RFP website.⁴ Avangrid Renewables appreciates that the PacifiCorp response includes an explanation of how PacifiCorp believes it has been clear with its stakeholders related to many issues that are interrelated with respect to the RFP. However, we continue to find it difficult to determine where this practice is clearly documented in the PacifiCorp OATT or how bidders were notified of it in the RFP materials.

Limited Comments on the November 20 IE Update

The Executive Summary of the IE Update outlines the principal activities that the IE has focused on since its prior Status Update report on September 15, 2020. Specifically, the IE notes that it has “[r]eviewed and provided input to PAC regarding the circumstances related to bids with executed Large Generator Interconnection Agreements” and has “[i]dentified and came to agreement with PAC on the inclusion of additional bids which otherwise would have been excluded from the ISL and from PacifiCorp Transmission’s Transition Cluster Study.”⁵

The IE elaborates on these two points in Section 4 of the IE Update. Specifically, the IE acknowledges “that a number of bidders and rate payer advocates, as well as the OPUC,

⁴ PacifiCorp, Response to October 2, 2020 Letter from Avangrid Renewables, Oct. 9, 2020, https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/suppliers/rfps/2020-all-source-request-for-proposals/documents/PacifiCorp_Response_to_Avangrid_Oct_9_2020_Regarding_LGIA_Impact_on_RFP.pdf.

⁵ IE Update at 1.

expressed concern that specifically limiting capacity from bids without LGIAs may result in a sub-optimal portfolio and that otherwise competitive bids would be excluded from the process.” The IE further notes that issues were beginning to emerge related to the LGIA impact on the ISL outcomes from the initial modeling.⁶

Given these complications, the IE and PacifiCorp began working on a new ISL derivation methodology described as “a combined approach . . . to run both the original and revised candidate lists through the IRP models, creating both the original ISL and revised ISL bid lists, and then combine those lists to get a consolidated ISL.”⁷ This new methodology and treatment of bids both with and without an executed LGIA has ultimately resulted in the inclusion of 11 additional bids on the ISL, each of which would have otherwise been eliminated due to the LGIA Issue. The details provided in the IE Update as to how these 11 bids were selected remain somewhat ambiguous and Avangrid Renewables would appreciate additional clarifying detail into the selection process.

While it is unfortunate that thousands more megawatts of submitted bids have been eliminated due to the LGIA Issue, Avangrid Renewables would like to acknowledge the additional attention that PacifiCorp, the IEs, the Commission, and Staff have invested in this process and their efforts to create a methodology that has resulted in the inclusion of additional bids into the ISL of the RFP. Along with these efforts, Avangrid Renewables remains hopeful that the RFP will result in a diverse, cost competitive portfolio of renewable and storage resources that will help PacifiCorp meet its 2019 IRP goals of “adding over 6,400 megawatt (MW) of new renewable resources by the end of 2023” and advancing its long-term vision for a “future where energy is delivered affordably, reliably and without greenhouse gas emissions.”⁸

Dated this 4th day of December 2020.

Respectfully submitted,

/s/ Jimmy Hulett

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⁶ See *id.* at 22.

⁷ *Id.* at 23.

⁸ PacifiCorp, 2019 Integrated Resource Plan Vol. 1, Oct. 18, 2019, at 1.