



## **Comments of the NW Energy Coalition**

### **Idaho Power Company – Distribution System Plan – Part 2 Docket No. UM 2196**

The NW Energy Coalition (NWECC) is very pleased to submit these comments on the Idaho Power Distribution System Plan, Part 2, filed on August 15, 2022.

NWECC appreciates the extended efforts by Idaho Power, stakeholders, and the Oregon Public Utility Commission that have brought us to the final stage of the first full cycle of a new approach to distribution system planning (DSP).

We highlight the detailed effort and care devoted by Idaho Power to the DSP filings, given the limited amount of customers in its Oregon service territory. The very dispersed nature of the distribution grid and the challenging economic situation for many customers provides the backdrop to important learning from this DSP filing that is applicable elsewhere as well.

We also concur with Idaho Power's point that distribution system modernization and DSP may not evolve at the pace of other utilities, and that it is important to take into account financial impacts on Oregon customers.

All that said, the Idaho Power filings indicate that substantial benefits can accrue from continuing to fully pursue DSP, bringing substantial benefits to customers and helping achieve the State of Oregon's clean energy and climate goals.

In these comments we summarize some observations on the Part 2 filing and the potential direction going forward.

#### **Community Engagement**

NWECC appreciates the community engagement plan that Idaho Power included in its DSP Report I, filed on October 15, 2021. That report outlined a series of public workshops held by the Company to prepare that first report. It also outlined a series of steps the company intended to take prior to the filing of the Part 2 report, including:

- Using billing inserts and media channels to notify customers in eastern Oregon about upcoming DSP efforts and how they can get involved.
- Seeking out and engaging CBOs that operate in eastern Oregon to gain more representative and diverse public input.

- Holding public workshops to discuss pilot concept proposals and to learn about and discuss:
  - Community energy needs and desires
  - Community barriers to clean energy needs, desires, and opportunities
  - Energy burdens within eastern Oregon communities
  - Community demographics o Potential greenhouse gas (GHG) reductions resulting from implementing a ‘non-wires solution.

- *2021 Oregon Distribution System Planning Report: Part I, p. 40.*

However, we saw no discussion of further community engagement activities in the Company’s onwPart 2 report filed on August 15, 2022. If the activities outlined in the first report actually occurred, we would be interested in a summary of the feedback received and understand more about the Company’s current thinking and plans for ongoing community engagement.

We would also recommend that the Company examine the community engagement activities highlighted in the other two electric companies’ DSP community engagement plans to truly make community engagement a meaningful and ongoing commitment from the Company. In our comments to those utilities’ community engagement plans, we highlighted several items.

### ***Equity Lens***

NWEC commended PGE for incorporating an equity lens into its decision-making processes for DSP. NWEC believes that this is a crucial aspect of community engagement that should be incorporated and standardized across all utility planning and acquisition processes. We had additional comments to the components of an equity lens tool that PGE outlined.

### ***Activating CBO Participation***

NWEC applauded both PGE and PacifiCorp for their efforts in creating ongoing spaces that are specifically intended for community-based organizations and for engaging in capacity-building efforts to help community-based organizations become more familiar with the technical aspects of distribution system planning. While we encouraged the continuation of these capacity-building workshops, we urged the companies to ensure that the feedback received from the workshops led to ongoing on-the-ground work so that community group have space to co-develop actual distribution system-level projects that could be incorporated into individual communities.

### ***Equity Considerations in T&D Project Scoring***

NWEC also applauded transparency about utility scoring criteria regarding transmission and distribution system projects. We did caution, however, that we would like to see an additional metric on how equitable an identified project is. For a project to score well on equity, it should first and foremost be built in and endorsed by historically underinvested-in communities or other disproportionately negatively impacted communities. Such projects should add community benefits that cover community resilience, positive economic impact -- including

community ownership, and positive health and environmental benefits. Further detail on equity scoring criteria can be further developed with other stakeholders.

### ***Community Impact Group***

NWEC agreed with PacifiCorp that it would be a good idea to have one community input group to assist company across the several planning dockets. NWEC believes that this would relieve CBO resource constraints and would allow for more streamlined community input across several dockets. We urge Idaho Power to consider a similar structure.

### ***Further Action***

NWEC is aware that community engagement is nascent work for utilities and can be challenging to get right. We hope to hear more about how Idaho Power is learning about its own community engagement and how it intends to make improvements from that learning. While we were encouraged after reading about the efforts in Report I, we have nothing to base any comments on progress since then. However, overall, we continue to encourage Idaho Power to engage with its stakeholders in co-developing projects from the solution identification phase through the project implementation phase. We are always available to collaborate with Company regarding community engagement and equity considerations.

### **Load Forecast, Grid Needs and Solutions**

Concerning the many in-depth technical aspects of the DSP Part 2 filing, NWEC offers the following comments.

The extended discussion of load forecasting in the Part 2 filing provides a lot of insights into the challenges facing the Idaho Power system. Recent heat waves including mid-summer 2021 and the extended period in early September 2022 that broke temperature records in the Idaho Power service territory suggest that peak estimation methods currently in use, such as the cubic regression formula discussed in the report, may need further refinement. More comprehensive incorporation of climatology and meteorology data may also be beneficial.

Even in less than record setting conditions, elevated temperatures can wear equipment out faster and demand surges can lead to increased exposure to extremely high market prices. This puts a greater premium on actions that customers can take to reduce demand and increase energy export to the grid. In turn that highlights the importance of even closer engagement with the community.

This also suggests revisiting the DER adoption rates discussed in the text, in conjunction with the new detail at the local level provided in the DSP analysis, for example, the anticipated coincident peak DER loading by feeder in Table 2.1.

Furthermore, as we have suggested for the other utility DSP filings, an expanded approach to screening and cost-effectiveness for wires and non-wires solutions for distribution planning

should be considered going forward that incorporates the full value of non-wires solutions, including reduced emissions, market dependence, stress on the transmission system, and so on.

However, this also puts a premium on optimizing the combination of programs and rate design across all customer side resources (energy efficiency, demand response, distributed generation, storage and microgrids) to find the highest value solutions.

For example, Table 2.3 shows relatively small increases in peak loading by feeder from DER and EVs in 2026, but if those resources grow at a faster rate, the importance of load management also increases, and likewise the importance of meaningful community engagement.

Concerning grid needs identification, NWECC finds the extended discussion of the Small Area Study process very helpful, as well as the summary of distribution element inspection, diagnostics and maintenance cycles.

The six potential non-wires solutions reviewed by Idaho Power also provide good insights. The focus on the Weiser substation transformer overload issue is important in walking through the many interrelated pieces that should be considered. It is particularly notable in showing that to address a given concern or constraint, a good many “traditional solutions” have to be reviewed as well as multiple non-wires solutions. And while necessary to evaluate, first-cost just one of the multiple attributes that have to be weighed, as shown in the subsequent analysis of the Weiser BESS project.

In addition, the description of a possible Juntura BESS/solar microgrid shows that the conversation is already expanding to include aspects of system resiliency as well as reliability, a matter where, again, community engagement will provide important direction.

To conclude, NWECC agrees with Idaho Power that DSP is already demonstrating value and still has considerable room to evolve, and we look forward to participating in that effort.

/s/

Fred Heutte  
Senior Policy Associate, NWECC

Marli Klass  
Senior Policy Associate, NWECC

Jeff Bissonnette  
Consultant, NWECC