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Oregon Public Utility Commission 201 High St. SE, Suite 100 Salem, OR 97301-3398

Re: Comments on UM 2225 Analytical Improvements Straw Proposal

The Oregon Solar + Storage Industries Association (OSSIA) appreciates the opportunity to provide the below comments to Staff's Analytical Improvements Straw Proposal in Docket No. UM 2225, the HB 2021 Investigation into Clean Energy Plans. Below OSSIA responded to several of the topics presented in the proposal for Staff's reflection. We address the topics from Staff in the order they appear in the straw proposal.

# **Chapter 1 – Planning for Decarbonization Targets Straw Proposal**

### **Topic #1 Clean technology scenarios**

OSSIA is supportive of the inclusion of the three clean technology scenarios listed by staff. We also recommend the inclusion of a high distributed generation scenario in the clean technology scenarios. Transmission constraints currently on the system will make moving energy to load very difficult. A solution would be to acquire resources closer to the load. Requiring the utilities to run a scenario that has increased adoption of distributed generation resource would be extremely useful in assessing system needs and alternatives to long lead time resources. This information would be most useful if the utility ran a low, a medium, and a high distributed generation adoption scenario. Additionally, these DG scenarios should itemize the resources so the data can be reviewed for accuracy by stakeholders.

Additionally, OSSIA recommends that staff adopt the definition of clean hydrogen provided by the energy advocates comments. It is essential that any technology used to meet Oregon's clean energy targets utilizes non-emitting electricity.

Lastly, OSSIA is concerned that the utilities will not include enough short-term duration storage in their preferred portfolio. While the inclusion of long duration storage as a scenario is a positive, we feel it is necessary to increase the number of small duration batteries on the system as well. The severe heat wave in California in September pushed the western grid to its limits, but a combination of demand response and 3,360 MW of batteries enabled the grid to avoid

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major disruptions.<sup>1</sup> Batteries also play an essential role in stabilizing the grid, smoothing power flows, and balancing variable resources. While long duration storage will be necessary to meet the clean energy targets, utilities should be procuring sufficient short term storage resources to meet the grid needs.

## **Topic #2 Demand scenarios**

OSSIA supports the energy advocates recommendation that there should be multiple electrification scenarios that assess the differences between vehicle electrification and building electrification. Additionally, these scenarios should fully consider all state and federal policies supporting electrification. While utilities have previously examined vehicle electrification in other planning venues, the passage of the Inflation Reduction Act bring new electric vehicle tax incentives for both consumers and US automakers.<sup>2</sup> This new tax incentive should accelerate the adoption of electric vehicles beyond the assumptions utilities previously made about vehicle electrification.

### **Topic #3 Regional Development Scenarios**

OSSIA understands that the push for decarbonization in the electricity sector will likely require increase coordination between states and other utilities. In the scenario considering transmission utilization, the scenario should assume a continuation of the Public Utility Regulatory Policies Act (PURPA) and that the utility will still contract for energy with qualifying facilities (QFs). Additionally, a separate scenario should focus on transmission that is constrained using aggressive cost assumptions and permitting timelines so that the CEP can assess the effect of transmission lag on the CEP.

### Topic #4 GHG emissions constraints in IRP modeling

We support staff's proposal that the IRP should achieve the 2030 and 2035 clean energy targets under typical or expected weather and hydro conditions in those years. We also recommend a scenario that models a linear glide path to the 2030, 2035, and 2040 clean energy targets. It may not be technically feasible to acquire all the resources necessary to meet that first 2030 target

<sup>&</sup>lt;sup>1</sup> Ferry, Mike, Op-Ed: California's giant new batteries kept the lights on during the heat wave, Los Angeles Times, Sept. 13, 2022, https://www.latimes.com/opinion/story/2022-09-13/california-electric-grid-batteries-heat-wave-september-2022

<sup>&</sup>lt;sup>2</sup> Baldwin, Sarah, Inflation Reduction Act Benefits: Electric Vehicle Tax Incentives For Consumers And U.S. Automakers, Forbes, Sept. 7, 2022, https://www.forbes.com/sites/energyinnovation/2022/09/07/inflation-reduction-act-benefits-electric-vehicle-tax-incentives-for-consumers-and-us-automakers/?sh=d84370117e12.



with only one or two big RFPs, and if we wait until resources from the RFP are online to find that out, it may be too late to course correct. In Staff's original roadmap acknowledgement straw proposal, Staff suggested modeling this linear emissions reduction path, but has since moved away from that recommendation. However, we believe that this is an important piece of information necessary to inform the Commission, Staff, and stakeholders of the range of alternative pathways to reach that target.

### **Topic #5 Key Long-term decarbonization planning questions**

We support staff's long-term decarbonization planning questions. We also support the energy advocates recommendation requiring a plan to address the specific barriers in the next 5-10 years.

## Chapter 3 – Additional Data Transparency Straw Proposal

### **Topic #4 Data standardization accessibility**

OSSIA supports the distribution of transparent data on utility CEPs. In the past confidential information has not been clearly delineated from the start. With this process we hope that the staff, utilities, and stakeholders can collaboratively and clearly lay out who can have access to the information ahead of time to avoid disputes. Data transparency should extend to interconnection information, capacity, data for modeling and forecasting, hosting capacity analysis, and daytime minimum load (among others). OSSIA supports Staff's recommendation to collaboratively develop standardized data that will be made available, but also suggests that there be an opportunity for staff and stakeholders to submit additional data requests in the CEP development process. While we can standardize requests as much as possible, there may still be a need to acquire more refined data depending on what data is actually provided. This process presents an opportunity for stakeholders to have increased data access for testing utility assumptions in their CEP.

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#### Conclusion

OSSIA commends staff on their efforts to prepare implementation guidance for Oregon's first CEPs. We look forward to additional opportunities to help Staff implement HB 2021in a way that will see successful decarbonization and adequately address environmental justice concerns.

Respectfully submitted this 5th day of October 2022,

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