Portland General Electric Company

Legal Department
121 SW Salmon Street • 1WTC1301 • Portland, Oregon 97204
Phone 503-464-8544 • Fax 503-464-2200
portlandgeneral.com

Erin E. Apperson
Assistant General Counsel III
erin.apperson@pgn.com

December 27, 2023

Via Electronic Filing

Public Utility Commission of Oregon Attention: Filing Center P.O. Box 1088 Salem, OR 97308-1088

RE: UM 2274 – Portland General Electric Company, 2023 All-Source Request for Proposals

Dear Filing Center:

Enclosed for filing in the above-referenced docket is Portland General Electric Company's Response to NewSun's Motion to Amend Procedural Schedule.

Thank you in advance for your assistance.

Sincerely,

Erin E. Apperson

Assistant General Counsel III

EEA:lad

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 2274

In the Matter of

PORTLAND GENERAL ELECTRIC COMPANY,

2023 All-Source Request for Proposals.

RESPONSE TO MOTION FOR SCHEDULING CONFERENCE AND TO AMEND PROCEDURAL SCHEDULE

I. INTRODUCTION

Pursuant to OAR 860-001-0420(4), Portland General Electric Company (PGE) responds to NewSun Energy LLC's ("NewSun") Motion for Scheduling Conference and to Amend Procedural Schedule filed on December 20, 2023. PGE opposes NewSun's request to amend the procedural schedule. As demonstrated in its motion, NewSun appears to be attempting to find any excuse possible to suspend the procedural schedule—from raising new issues about the interdependence of other dockets to claiming it is too difficult to understand the publicly available RFP schedule and the deadlines in the docket.

PGE does not agree that this docket should be suspended until the Commission issues its order in UM 2273. These dockets are not linked as NewSun suggests. In fact, the schedule in this proceeding did not originally account for a decision in UM 2273, and only now is NewSun attempting to take this action at this late stage. While PGE understands that NewSun would like to see the results from the Bonneville Power Administration Transmission Service Request Study and Expansion Process (TSEP), PGE does not agree that this docket should be suspended until those results are posted. In reality, PGE has noted in its June 28, 2023 comments that the results

¹ A Commission decision in this docket was originally set for August 2023, and the September 2023. Neither of these dates occurred after a Commission decision was anticipated in UM 2273.

from the 2023 TSEP may not be actionable and therefore may not actually impact the 2023 RFP in a meaningful way. PGE has sought and incorporated feedback from the Independent Evaluator into its draft RFP that would allow 2023 TSEP projects to participate if they are able to comply with commercial online dates (COD) of this proceeding.

II. RESPONSE

A. It is Unnecessary to Suspend this Docket Pending an Outcome in UM 2273

NewSun now argues that this docket should be delayed pending the Commission order in UM 2273, which was recently updated to be expected sometime in the first half of January 2024.² That order was originally anticipated to be issued December 15, 2023.³ However, the RFP approval order was also originally anticipated to occur in August 2023 and then September 2023,⁴ and therefore these dockets have never been linked in such a way that NewSun is now suggesting at this late stage.

In justifying its reasons to delay the schedule, NewSun points to examples such as "what continual progress means within the planning period" "taking action as soon as practicable", and "compliance mechanisms or penalties". It is not necessary to delay the RFP schedule to wait for the Commission to address these issues. If the UM 2273 order occurs on the timeline anticipated by NewSun, it will be received in advance of both the initial and final shortlists and the policy outcomes in UM 2273 will help inform final shortlist construction. PGE's December 21, 2023 reply comments discuss some of the sensitivity analyses that may be conducted as a result of evolving policy discussions.⁵

² See December 19, 2023 Memorandum, UM 2273.

 $^{^{3}}$ Id.

⁴ See August 1, 2023 Ruling, UM 2274.

⁵ PGE has agreed to run sensitivity analyses on whether acquiring projects absent environmental attributes may benefit customers, whether certain tax credits and/or loan programs may be beneficial, and whether additional resource volumes may be needed.

B. It is Unnecessary to Suspend this Docket Pending the Outcome of the 2023 TSEP

PGE does not agree with NewSun that the procedural schedule should be suspended to await results from BPA. As noted in NewSun's motion, BPA has delayed their 2023 TSEP cluster study process. On October 12, 2023, BPA sent an email to their distribution list notifying that additional time was needed to conduct the study and that results are expected in "early spring 2024." As noted in PGE's June 28, 2023 comments, BPA's TSEP has already been delayed once before, from Spring 2023 to Fall 2023. PGE is unable to forecast whether BPA may communicate further delays and PGE has instead introduced flexibility into the RFP to allow bidders to provide a transmission narrative regarding how their project may be uniquely situated in a way that could lead to delivery to PGE within the COD window. This modification was adopted at the recommendation of the Independent Evaluator.

Further, PGE notes that the projects in the 2023 TSEP may not align with the company's nearer-term resource needs. As explained in our June 28, 2023 comments, the 2022 TSEP identified significant transmission upgrades needed, and almost all of the identified upgrades are estimated to be completed in the early 2030s. As many 2022 TSEP projects were subject to these upgrades before they could deliver to PGE—and as NewSun points out, the 2023 TSEP is proposing to add approximately 17,000MW of additional resources to BPA's system—it is not unreasonable for PGE to surmise that projects seeking delivery to PGE load in the 2023 TSEP will be subject to the same upgrade needs. Therefore, it is highly unlikely a project participating in the 2023 TSEP would be granted transmission service on a timeline that corresponds to PGE's near-term capacity and energy needs. PGE has instead introduced flexibility into its RFP process by allowing bidders who have 2023 TSEP results before the RFP final shortlist is constructed,

and who are not subject to transmission upgrades that would take COD past 2027, to participate in this RFP.

Therefore, this RFP's interaction with the TSEP process has already been discussed in this proceeding and does not warrant delaying the schedule at this late stage as NewSun seeks. PGE has provided a path forward for bidders who have results before the RFP final shortlist is constructed. Therefore, it is unnecessary to delay the Commission's approval of the draft RFP indefinitely to wait for results from BPA.

C. It is Unnecessary to Suspend this Docket Pending the Outcome if TC 25

NewSun's reasoning around why the RFP should be delayed pending the outcome of BPA's GI revision process is unclear. As NewSun notes, certain queue positions are likely to be fast tracked and/or grandfathered into the existing process. NewSun notes that projects with "a Facilities Study, a System Impact Study, or BPA designation of being 'late stage'" are those likely to be grandfathered as serial. This aligns with PGE's RFP requirements, which require potential bidders to have a completed system impact study as a requirement to participate. This requirement likely negates any schedule disruption from the BPA interconnect reform process.

Based on NewSun's assessment of which projects are likely to be fast-tracked by BPA, PGE is comfortable that the current RFP requirements are having the intended effect of ensuring that bids are likely to meet the CODs of PGE's resource need. Generators that have not completed required studies and do not likely have a path to timely interconnection are encouraged to participate in future RFP processes. PGE notes that multiple parties have provided feedback and recommendations on PGE's interconnection requirements throughout the UM 2274 comment process—NewSun provided guidance that "PGE's design and bid review process needs to be able to discriminate between projects that have a viable interconnection pathway from

those that do not." PGE concurs and reiterates that the requirements as drafted will provide actionable information on which projects are likely to move forward, and which are not. As results are known throughout Q1 and Q2 of 2024, PGE can adjust the evaluation of projects to account for bidder narrative or bidders who are removed by BPA. As interconnection pathway is a minimum requirement, these adjustments can be made without re-structuring the RFP or delaying the process.

D. PGE's Schedule Has Been Publicly Available Throughout this Docket

PGE understands that NewSun is claiming that there should be more transparency about the RFP and docket schedules. However, PGE has continually updated its RFP schedule in a transparent manner.

PGE's draft RFP filed May 19, 2023, and supplemented June 28, 2023 and December 21, 2023, noted that bidder communications would occur through PGE's RFP website, found at portlandgeneral.com/rfp. The website prominently features a schedule with key bidder deadlines. PGE has kept that website up to date with the market-facing components of the RFP throughout the process. On November 15, 2023, PGE sent a courtesy reminder to those on the RFP distribution list that an updated schedule was posted as the RFP regulatory process resumed.

PGE disagrees with NewSun's assertion that the delay that they are seeking "would not necessarily require a delay in the current bid deadline of March 15, 2024, or the rest of the RFP schedule." As currently drafted, the schedule contemplates a decision on the RFP structure in early January, and then near-constant deliverables to execute on the RFP. PGE plans to issue the final version of the RFP in January and engage in stakeholder workshops to ensure that the structure is well understood by entities that may submit bids. PGE will then receive and score benchmark bids—as required in OAR 860-089-0450—in February. PGE will also receive and

score solar build transfer agreement or asset purchase agreement bids—as recommended in

Staff's December 12, 2023 public meeting memo—in early March. NewSun generally points to

needing to "revise or possibly compress" the January, February, and early March due dates in the

RFP, but does not engage on the substance of how schedule disruptions would be managed or

provide any recommendations for how each deliverable before the third-party bid due date would

be adjusted. PGE strongly believes that any delay similar to what NewSun is seeking would

create a symmetric downstream delay in third-party bid receipt, scoring, and assembly of a final

shortlist.

III. CONCLUSION

For the foregoing reasons, PGE respectfully requests that the Commission deny

NewSun's request to amend the procedural schedule.

DATED this 27th day of December, 2023.

Respectfully Submitted By:

Erin E. Apperson, OSB No. 175771

Assistant General Counsel III

Portland General Electric Company 121 SW Salmon Street, 1WTC1301

Portland, Oregon 97204

Phone: 503-464-8544

Email: erin.apperson@pgn.com