

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2273

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON,

Investigation Into House Bill 2021
Implementation Issues.

REPLY OF COMMUNITY
RENEWABLE ENERGY
ASSOCIATION

I. INTRODUCTION

Pursuant to Order No. 23-227, the Community Renewable Energy Association (“CREA”) hereby respectfully submits this reply to the Opening Briefs submitted in this docket on July 24, 2023. CREA supports the comments of other stakeholders that encourage the Oregon Public Utility Commission (“Commission”) to adopt criteria to evaluate utility Clean Energy Plans (“CEPs”) and resource procurement actions that aim to achieve HB 2021’s goals of bringing renewable energy development to communities in Oregon and that would achieve the greenhouse gas emissions reduction targets in an economically and technically feasible manner.

II. ABOUT CREA

CREA is an ORS 190 intergovernmental association. Members include counties, irrigation districts, councils of government, project developers, for-profit businesses, and non-profit organizations. CREA works with local communities, counties, state and federal agencies, Congress, the Commission, and the Oregon Legislature to advocate for improved policies that support development of more community renewable energy in

Oregon. Our members and staff help educate policy-makers and interested communities on steps toward progress for renewable energy development. We also work with parties to make projects happen, providing technical expertise for developers, landowners and counties where projects are under consideration.

III. COMMENTS

CREA provides this reply to offer guiding steps towards progress for renewable energy development in Oregon communities and providing practical, technical expertise.

A. **HB 2021 Places Oregon Communities as One of the Primary Beneficiaries of the Bill**

CREA recommends that the Commission view all resource planning, procurement, and HB 2021 implementation through the lens of the bill's policy statement that electricity used for compliance with HB 2021 "be generated, to the maximum extent practicable, in a manner that provides additional direct benefits to communities in this state in the forms of creating and sustaining meaningful living wage jobs, promoting workforce equity and increasing energy security and resiliency."¹

CREA supports the many commenters that encourage the Commission to implement this policy language when considering the public interest in its acknowledgement of utility CEPs,² however, CREA also agrees with the commenters that

¹ ORS 469A.405.

² Interested Person Comments of Multnomah County Office of Sustainability (MCOS), Verde, Oregon Just Transition Alliance (OJTA), Rogue Climate, NW Energy Coalition (NVEC), and the Coalition of Communities of Color (CCC) at 3; Joint Opening Brief of Sierra Club, Rogue Climate, Columbia Riverkeeper, and Coalition of Communities of Color at 9; Opening Brief of NewSun Energy LLC at 13; Opening Brief of NW Energy Coalition & Renewable Northwest at 14; Opening Brief of the Oregon Solar + Storage Industries Association at 6; Opening Brief of Pine Gate Renewables, LLC at 3;

encourage the Commission to look broader than that.³ The public interest is furthered through an evaluation of whether a utility CEP will result in meaningful living wage jobs, promoting workforce equity and increasing energy security and resiliency for Oregon Communities. However, beyond that utility planning exercise, the Commission should also follow through on that public interest promise and ensure that resource procurement dockets also require that respondents show how their proposals create and sustain meaningful living wage jobs, promote workforce equity and increase energy security and resiliency for Oregon communities. The Commission has broad discretion to implement HB 2021 and should exercise its discretion to do so in the public interest and in compliance with these express legislative policy directives.

B. Economic and Technical Feasibility Means CEPs Must Show a Realistic Path Towards Compliance and Consider Alternative Paths

CREA agrees with other commenters⁴ and recommends that the Commission define “economic and technical feasibility” to mean that the utility CEPs must reflect realistic assumptions and not be overly speculative. Specifically, the cost and timeline assumptions should consider uncertainty and known risks around interconnection, transmission, permitting, development timelines, cost overruns, and the CEPs should plan for contingencies in the event of failure or delay of any of the above. CREA is particularly concerned about two major issues that impact the economic and technical

³ Opening Brief of NewSun Energy LLC at 14; Opening Brief of the Oregon Solar + Storage Industries Association at 9; Opening Brief of Pine Gate Renewables, LLC at 3-4.

⁴ Opening Brief of NewSun Energy LLC at 2; Opening Brief of NW Energy Coalition & Renewable Northwest at 9; Opening Brief of the Oregon Solar + Storage Industries Association at 4

feasibility of utility plans: (1) transmission; and (2) resource action plans that are likely to result in cost or timeline overruns.

First, the lack of available transmission and long lead times necessary for new transmission resources to come online places a constraint on the feasibility of acquiring resources that may need to rely on that transmission. CEPs should not select resources that assume transmission will be available. Rather, the Commission should indicate that any CEP that relies on transmission clearly show where that transmission is coming from and how it will be available by the time it is needed. And to the extent that transmission feasibility cannot be verified, the Commission should require that the CEP include an alternate path to compliance with HB 2021.

Second, resources that have a history of cost or timeline overruns should be viewed with special scrutiny. For example, nuclear resources have a unique history in the northwest for cost overruns.⁵ Any CEP that relies on such resources needs to go above and beyond to show how that resource can achieve cost and timeline assumptions built into the plan. And similarly, to the extent that feasibility cannot be verified, the CEP should provide an alternate path to compliance.

As such, CREA recommends that in adopting guidance regarding what “economic and technical feasibility” means under HB 2021, that guidance include that the plans be based on realistic assumptions and consider alternatives and contingencies in the event of cost overruns or delays. Achieving HB 2021’s greenhouse gas emissions reduction

⁵ David Wilma, Washington Public Power Supply System (“WPPSS”) (July 10, 2003) available at <https://www.historylink.org/file/5482>.

targets is the primary function of the bill, and the Commission should ensure that utility plans to get us there are actually calculated to achieve that goal.

IV. CONCLUSION

In conclusion, CREA recommends that the Commission adopt the above recommendations.

Dated this 21st day of August 2023.

Respectfully submitted,

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