

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 77 and UM 2193

In the Matters of

PACIFICORP, dba PACIFIC POWER,
2021 Integrated Resource Plan (LC 77).

and

Application for Approval of 2022 All-
Source Request for Proposals
(UM 2193).

**NOTICE OF SPECIAL PUBLIC
MEETING AND AGENDA**

As previously noticed, the Commission will hold a transmission workshop on issues that overlap in the following three dockets: UM 2059, LC 77, and UM 2193. Below is the meeting information and agenda.

DATE: March 8, 2022

TIME: 1:30 p.m.

MEETING TYPE: Public Hearing and Commission Work Session

PARTICIPATION: Zoom Meeting

[LINK TO MEETING](#)

Call-in Option: 971-247-1195

Meeting ID: 872 1803 8329

Passcode: 5506996649

AGENDA:

During this workshop we will discuss the below issues.

Introduction

Issue #1: Cost “Offsets” or “Net Costs” of Transmission Upgrades

In its August 5, 2021 presentation in docket UM 2059, PacifiCorp explained:

- Consequently, in-service costs for GWS and D.1 (\$263m) reflects an offset for the 230-kV alternative (i.e., \$1.9b - \$1.4b + \$263m = \$763m).

The following issues may be covered at the workshop:

- Please discuss how closely the timing of costs/revenues in modeling matches the actual timing of costs/revenues for Oregon customers.
- Can alternative analyses be done showing results with and without full transmission costs? What would be the downsides to using the full transmission costs in modeling?
 - If such a sensitivity were developed, how would it best be understood in the context of the diversity of benefits that may be related to the transmission projects (e.g., increased reliability benefits and delivery of generation resources)?
- The 2021 Integrated Resource Plan (IRP) lists Gateway South as an action item. The Commission may discuss how to approach the action item.

Issue #2: Docket UM 2193 Sequence and Eligibility

Eligibility criteria for the draft 2022 All-Source Request for Proposal (AS RFP) includes “begin deliveries to PacifiCorp by December 31, 2026” and “[b]ids must include at least a completed interconnection study” (Draft RFP pages 2-3). With a reported high level of bidder interest in this RFP, the Commission would like to discuss the implications of the 2022 Cluster Study not producing interconnection schedules that satisfy a 2026 online date.

A similar challenge was noted in the 2020AS RFP. The Independent Evaluator (IE) in docket UM 2059 stated “[a]ll interconnections in the same Transmission Cluster Area received the same timing estimate from PacTrans.” The IE explained that “[t]en cluster study projects received interconnection timelines of 72 months” and the “schedules for interconnection resulting from the interconnection cluster study area resulted in the elimination of all but one cluster study RFP participant.” (Closing Report Presentation)

The Commission seeks to discuss:

- A brief overview by PacifiCorp of the proposed sequence and timing of the 2022AS RFP and 2022 Cluster Study.
- A review of PacifiCorp’s February 18, 2022 response to ALJ Bench Request 3 stating that only one project has rights on the 2026 transmission upgrades in Appendix H-1 of the draft RFP that would be fulfilled prior to projects from the 2022 Cluster Study.

APPENDIX H-1

2021 PacifiCorp IRP Preferred Portfolio Transmission Upgrade Selections

P02-MM-CETA: 2015-2028

Year	Resource(s)	From	To	Description
2025	1,641 MW RFP Wind (2025)	Aeolus VY	Clover	Enables 1,930 MW of interconnection with 1,700 MW of TTC: Energy Gateway South
2026	615 MW Wind (2026)	Within Willamette Valley OR Transmission Area		Enables 615 MW of interconnection: Albany OR area reinforcement
2026	130 MW Wind (2026)	Portland North Coast	Willamette Valley	Enables 2,080 MW of interconnection with 1,950 MW TTC; Portland Coast area reinforcement, Willamette Valley and Southern Oregon
	450 MW Wind (2032)		Southern Oregon	
	650 MW Battery (2037)			
2026	600 MW Solar-Storage (2026)	Borah-Populous	Hemingway	Enables 600 MW of interconnection with 600 MW of TTC: B2H Boardman-Hemingway

- PacifiCorp’s explanation of whether the 2022 Cluster Study will be the primary means for projects to obtain an interconnection study that meets the 2022AS RFP eligibility criteria.
- What can PacifiCorp do to ensure RFP eligibility aligns with likely interconnection timelines? Are there any barriers that would prevent a project from using an LGIA acquired in a previous cluster study to participate in a current RFP? For example, after an LGIA is issued, how long can a developer hold on to the LGIA for use in future PacifiCorp RFPs?
- Are there solutions to this timeline mismatch given that projects at the top of the cluster study process might have an inherent advantage in the RFP? Can PacifiCorp implement those unilaterally or will it need to make a FERC filing?
- Can the timelines for acquisition in future RFPs be designed to include more projects from past cluster studies?

Issue #3: Docket UM 2193 Modeling

ALJ Bench Request 2 in docket UM 2193 asks whether the capital costs of the 2026 transmission upgrades will be included in interconnection cost estimates provided in cluster reports for those areas. PacifiCorp responded that “[n]one of the costs listed in the Company’s response to ALJ Bench Request 1 are included in the individual RFP bid costs.” The Commission seeks additional discussion of this response.

- Is it correct that the 2020AS RFP included interconnection *and* network upgrade costs in best and final pricing, as shown on slide 11 of PacifiCorp’s August 5, 2021 presentation in docket UM 2059?

Excerpt of Slide 11

Location	Company	Project / Facility Name	Resource type	Contract Type	Generating Asset (MW)	BESS Capacity (MW)	BESS Duration (Hours)	LN	MM	HH	SL	FSL SNS (MM)	SNST (MM)	Type	PAC Trans Network Upgrade Cost (\$000)
East WY	NextEra	Cedar Springs IV	Wind	PPA	350.4	0	0	0	350.4	350.4	350.4	350.4	350.4	Wind	\$9,170
East WY	Innergex Renewable	Boswell Springs	Wind	PPA	320	0	0	0	320	320	320	320	320	Wind	\$920
East WY	BluEarth/Clearway Renew	Two Rivers Wind Project	Wind	PPA	280	0	0	0	280	280	280	280	280	Wind	\$6,350
East WY	NextEra	Anticline	Wind	PPA	100.5	0	0	0	100.5	100.5	100.5	100.5	100.5	Wind	\$8,786
East WY	Invenergy	Rock Creek I BTA	Wind	BTA	190	0	0	0	190	190	190	190	190	Wind	\$14,283
East WY	Invenergy	Rock Creek II 400	Wind	BTA	400	0	0	0	400	400	400	400	400	Wind	\$2,550

- Is it correct that the 2020AS RFP network upgrade cost comparisons shown on slide 11 excluded the costs of contingent facilities in cluster reports (Gateway South)?

Excerpt of Cluster Study Cost Categories

8.0	CONTINGENT FACILITIES (ERIS)
9.0	COST ESTIMATE (ERIS)
9.1	Interconnection Facilities
9.2	Station Equipment.....
9.3	Network Upgrades
9.4	Total Estimated Project Costs

- Is it correct that in the 2022AS RFP only interconnection facilities costs, and not network upgrade costs, will be considered in bid ranking? How will the cost of contingent facilities that a bid relies on impact bid ranking?
- In the 2022AS RFP, is it correct that network upgrade costs and PacifiCorp-funded grid expansion projects (i.e., Gateway South, Boardman to Hemingway) will be included in Plexos modeling for endogenous selection?
- Please describe how the 2022AS RFP approach will interface with the Commission’s interest in seeing all ratepayer costs associated with projects.

Please contact Rose Anderson at rose.anderson@puc.oregon.gov or Nadine Hanhan at nadine.hanhan@puc.oregon.gov with any questions.

Megan W. Decker

Letha Tawney

Mark R. Thompson

Chair

Commissioner

Commissioner

IF YOU HAVE A DISABILITY AND NEED ACCOMMODATION TO PARTICIPATE IN THIS CONFERENCE, PLEASE LET US KNOW (503) 378-6678, Oregon Relay Service: 7-1-1, or e-mail puc.hearings@puc.oregon.gov