

ORDER NO. 25-089

ENTERED Mar 05 2025

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2371

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

2025 All-source Request for Proposals.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on March 4, 2025, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



Alison Lackey
Chief Administrative Law Judge



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. RA1

**PUBLIC UTILITY COMMISSION OF OREGON
 REDACTED STAFF REPORT
 PUBLIC MEETING DATE: March 4, 2025**

REGULAR X CONSENT _____ EFFECTIVE DATE _____ N/A _____

DATE: February 24, 2025

TO: Public Utility Commission

FROM: Sandra Namukaya

THROUGH: Caroline Moore, JP Batmale, and Kim Herb **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
 (Docket No. UM 2371)
 2025 All-Source Request for Proposals, Requests approval of an
 Independent Evaluator in its 2025 AS RFP.

STAFF RECOMMENDATION:

Approve selection of PA Consulting to serve as the Independent Evaluator (IE) for Portland General Electric’s (PGE) 2025 All-Source (AS) Request for Proposals (RFP).

DISCUSSION:

Issue

Whether the Commission should approve the selection of Staff’s recommended IE for PGE’s 2025 AS RFP for both non-emitting energy and capacity resources identified in its 2023 Integrated Resource Plan (IRP).

Applicable Law or Rule

The Commission’s competitive bidding requirements in OAR Chapter 860, Division 89 apply when an electric utility seeks to acquire a resource or a contract for more than an aggregate of 80 megawatts and five years in length, as specified in OAR 860-089-0100(1).

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Under OAR 860-089-0200, when an electric utility is subject to competitive bidding requirements, it must engage the services of an IE to oversee the RFP process. Prior to engaging an IE's services, the utility must:¹

1. Notify all parties to its last general rate case, RFP, and IRP dockets of its need for an IE;
2. Solicit input from those parties and from interested persons regarding potential IE candidates;
3. File a request for Commission approval to engage an IE; and
4. Upon approval by the Commission, engage the IE with a contract that requires that the IE fulfills its duties under the competitive bidding rules and that the IE confers as necessary with the Commission and Commission Staff on the IE's duties.

When a utility files for Commission approval to engage an IE, OAR 860-089-0200(2) requires Commission Staff to review the request and recommend an IE based in part on the consideration of:

1. Input received from the electric company and interested non-bidding parties;
2. Review of the degree to which the IE is independent of the electric company and potential bidders;
3. The degree to which the cost of the services to be provided is reasonable;
4. The experience and competence of the IE; and
5. The public interest.

The duties of an IE are set forth in OAR 860-089-0450. In fulfilling these duties, the IE must be provided with full access to the utility's production cost and risk models and sensitivity analyses. OAR 860-089-0400(6).

Analysis

Background on IE Selection

PGE's 2023 IRP/CEP identified a need for 753 MWa of non-emitting resources between 2025-2028 (or 251 MWa annually).² The Company's 2023 AS RFP resulted in an acknowledged final shortlist (FSL) with 343 MW of capacity and 85 MWa of non-emitting

¹ OAR 860-089-0200(1), (2), (3), (4).

² *In re Portland General Electric Co.*, Docket No. LC 80, Order No. 24-096, Appendix A at 5 (April 18, 2024), adopting Staff's recommendation to acknowledge PGE's energy and capacity action items on the condition that PGE complete work on a proposal to develop a long lead-time resource request for information.

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energy, leaving 668 MWa of non-emitting energy to be procured.³ The Commission directed PGE to take actions that will facilitate a bigger pool of actionable energy resource bids in the next procurement and to promptly issue its next RFP.

To begin this proceeding, on November 15, 2024, PGE filed a notice of commencement of the 2025 AS RFP in UM 2357. In UM 2357, PGE initially sought to retain the IE from its 2023 RFP - Bates White. After Staff and stakeholders requested PGE consider a new IE, PGE withdrew its request to maintain the IE from its 2023 RFP and began the process for issuing an IE RFP. PGE held a stakeholder workshop on December 19, 2024, to get stakeholder feedback. PGE provided the 2021 IE RFP document as a starting point and sought feedback on the document. PGE subsequently provided a redlined IE RFP to show how PGE modified the document to clarify that the IE reports to the OPUC, to add interim deliverables, to clarify that Staff has access to deliverables, and to revise the scoring to reflect Staff's weighting.

On January 14, 2025, PGE issued the IE RFP to sixteen (16) potential IE firms. By the January 28, 2025, deadline, seven (7) firms submitted proposals. Table 1 Lists the participating bidders.

Table 1: IE RFP Bidders

1898 &Co
Aion
Bates white
Charles River Associates
London Economics
Merrimack
PA Consulting

On February 5, 2025, PGE applied to open this proceeding as an IE selection docket that will also be used for the review and approval of PGE's 2025 AS RFP and the Scoring and Modelling Methodology (SMM).

Following the receipt of the IE bids, PGE convened a confidential workshop on February 14, 2025, with Staff and interested non-bidders to review the IE candidates' scores and provide feedback on the preferred IE candidate. Staff commends PGE's efforts to openly share information with stakeholders, while maintaining a level of confidentiality in the IE selection process. The IE RFP scoring was based on RFP oversight experience, understanding of an IE's role and responsibilities under the

³ *In re Portland General Electric Co.*, Docket No. UM 2274, Order No. 24-425 at 1, Appendix A at 3 (November 25, 2024).

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OPUC's Competitive Bidding Rules, demonstrated technical and topical experience, adherence to PGE's terms and conditions, and competitive pricing. A breakdown of the scoring is provided in Table 2 below.

Table 2: IE Scoring and Weighting Criteria

Category	Component	Weight within Category	Overall Category Weight
Proposal Completeness & Understanding of Scope of Work	The Proposer's description of the tasks in its deliverables	30%	20%
	Whether the Proposer appears to have sufficient knowledge and understanding of the functions to be performed	40%	
	Provides a clear project management plan with dedicated resources	30%	
Bidder Experience	Specific experience reviewing RFPs for renewable resources, and energy storage resources	40%	40%
	Relevant Energy Industry Consulting Experience – demonstrate exposure to and familiarity with techniques and tools that are used in resource solicitations, and/or a familiarity with the challenges faced from acquiring resources	30%	
	Specific experience working with utilities in the PNW	10%	
	Experience reviewing RFP transmission requirements, evaluating different transmission products, and other familiarity with related transmission delivery issues	20%	
Adherence to PGE's Terms and Conditions	Willingness to adhere to PGE's Terms and Conditions	100%	10%
	The quoted cost for the project	100%	30%

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Competitive Pricing			
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Staff highlights the row in the scoring criteria that reads “[e]xperience reviewing RFP transmission requirements, evaluating different transmission products, and other familiarity with related transmission delivery issues.” This is one of the additions PGE made to this IE RFP in response to Staff and stakeholder feedback and Staff briefly explains here why transmission is a focus in this RFP.

In the Commission’s Order No. 24-425 acknowledging PGE’s 2023 RFP Final Shortlist, the Commission directed the Company to promptly issue the next RFP incorporating minimum modifications to the 2023 RFP design to facilitate a large pool of energy and capacity bid resources. The minimum requirements to facilitate a larger pool of bid resources includes changes to the minimum transmission requirements, updated price forecasts, and a resource online date before 2030.⁴ The selected IE will need to balance all of these considerations as part of its work on this RFP.

IE Selection

On February 19, 2025, PGE filed its request to engage the services of PA Consulting. The selection is based on the scoring criteria (see Table 2) above and discussions with non-bidding stakeholders during a Workshop on February 14, 2025.

PGE explained it would be comfortable engaging any the top four highest scored bidders to the IE role. In its support of the most preferred candidate, PGE asserted that PA Consulting’s proposal presented the most compelling balance of a clear understanding of the IE role, a strong and experienced team, competitive pricing and broad stakeholder support. In addition, PGE emphasized that PA Consulting offers experience with relevant transmission issues and makes available an in-house transmission specialist with analysis expertise, including with congestion and curtailment modeling.

Three parties attended the February 14 workshop.⁵ All three parties agreed with the Company’s evaluation scores and the top four qualified IE candidates who demonstrated strong potential to oversee the 2025 AS RFP. Table 3 shows the scores of the submitted bids.

[BEGIN CONFIDENTIAL]

⁴ *In re Portland General Electric Co.*, Docket No. UM 2274, Order No. 24-425 at 1, Appendix A at 1 (November 25, 2024).

⁵ Per PGE the attendees were Northwest and Intermountain Power Producers Coalition (NIPPC), Renewable Northwest, and Oregon Solar + Storage Industries Association (OSSIA).

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Category	Bates White	PA Consulting	London Economics	Merrimack	Charles River Assoc	Aion	1898 and Co
Proposal Completeness & Understanding of Scope of Work	■	■	■	■	■	■	■
The Proposer's description of the tasks in its deliverables	■	■	■	■	■	■	■
Whether the Proposer appears to have sufficient knowledge and understanding of the functions to be performed	■	■	■	■	■	■	■
Provides a clear project management plan with dedicated resources	■	■	■	■	■	■	■
Bidder Experience	■	■	■	■	■	■	■
Specific experience reviewing RFPs for renewable resources, and energy storage resources	■	■	■	■	■	■	■
Relevant Energy Industry Consulting Experience - demonstrate exposure to and familiarity with techniques and tools that are used in resource solicitations, and/or a familiarity with the challenges faced from acquiring resources	■	■	■	■	■	■	■
Specific experience working with utilities in the PNW	■	■	■	■	■	■	■

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Experience reviewing RFP transmission requirements, evaluating different transmission products, and other familiarity with related transmission delivery issues	█	█	█	█	█	█	█
Adherence to PGE's Terms and Conditions: Willingness to adhere to PGE's Terms and Conditions	█	█	█	█	█	█	█
Competitive Pricing: The quoted cost for the project	█	█	█	█	█	█	█
Total Score w/o Price	█	█	█	█	█	█	█
Total Score	█	█	█	█	█	█	█

[END CONFIDENTIAL]

Staff's IE Selection Recommendation

Staff independently evaluated and scored each of the seven IE bid proposals received by PGE consistent with the RFP scoring criteria and the OAR 860-089-0200(2) (a-e) evaluation criteria. Staff's scoring resulted in a similar ranking as PGE's, and Staff supports PGE's selection of PA Consulting⁶ and recommends the Commission approve PA Consulting as the IE for PGE 2025 AS RFP.

Staff's only concern regarding the preferred IE pertained to the proposed fixed price. Staff's concern was mitigated by the transmission experience demonstrated in the PA Consulting's bid proposal and the **[BEGIN CONFIDENTIAL]** █
 █ **[END CONFIDENTIAL]**.

⁶ PGE., Docket No. UM 2371, Request for Commission Approval to Engage Independent Evaluator, February 19, 2025, pg. 3.

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A discussion of Staff's consideration of each of the five criteria outlined in OAR 860 089-0200(2) follows:

Input Received from the Electric Company and Interested, Non-bidding Parties
Staff and stakeholders provided feedback on the IE selection process. PGE solicited and was responsive to Staff and stakeholders' feedback by ensuring the IE RFP addressed:

- Familiarity with challenges faced by utilities in the Pacific Northwest especially transmission challenges,
- Specifically stipulating the role of the IE in line with OAR 860-089-0450,
- Demonstrated understanding of Oregon's competitive bidding rules, and
- Emphasizing that the IE performs their duty on behalf of OPUC to emphasize the independence of the IE from the utility.

PGE was also transparent with the changes it made to the IE RFP document by posting a redline copy after stakeholder input.

As noted above, once the IE bids were received, PGE held a confidential workshop to review and discuss the IE candidates and selected a candidate whom all the stakeholders had no objection to.

Review of the Degree to which the IE is Independent of the Electric Company and Potential Bidders

IE RFP bidders were required to disclose any potential or actual conflicts of interest, including any business conducted with PGE or its affiliates, past or present, as well as any conflict or potential conflict of interest that might arise during the course of the RFP, including with any potential bidders or stakeholders. PA Consulting confirmed it did not have any conflicts of interest that would make it unable to act as IE for this procurement.

The Degree to which the Cost of the Services to be Provided is Reasonable

The top four bids received were within the range of **[BEGIN CONFIDENTIAL]** [REDACTED] **[END CONFIDENTIAL]**. Staff notes that the drivers of IE costs include: the number of proposed hours and assumed complexity of the RFP design process, the number of resource bids received in response to the RFP, including any additional price per bids above 100 bids, and the need for analysis and review of production cost and transmission modeling. PA's demonstrated experience, transmission expertise, and overall proposal supports the quoted pricing. Staff prepared this confidential comparison of the per hourly cost of the bids for the top for IE candidates in Table 4 Below.

Table 4: Cost Per Hour of Bid

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Bidder	Total Price	# of Hours	Averaged \$/Hour
[BEGIN CONFIDENTIAL]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
			[END CONFIDENTIAL]

Staff therefore recommends selection of PA Consulting as the IE for the PGE 2025 AS RFP.

The Experience and Competence of the IE

Of the seven bidders, four demonstrated adequate experience and competency to undertake the IE assignment, as shown in Table 3 above. For the category of bidder experience, PA Consulting was the top-ranked bidder.

PA Consulting scored highest on the transmission subcategory of the scoring criteria with a bid that “demonstrates reasonable familiarity with key areas of transmission requirements, products, planning and/or operations, through experience with 1-3 specific projects or study processes directly applicable to non-ISO WECC jurisdictions in the last 5 years.” To follow the Commission’s direction from the order acknowledging PGE’s 2023 RFP FSL,⁷ Staff understands it is important for PGE to move quickly to reissue an energy resource procurement with an RFP design that facilitates a large pool of energy and capacity bid resources. Staff believes that having an IE with extensive transmission experience will benefit this RFP and that PA Consulting’s expertise with transmission will be advantageous in the design and bid evaluation process of PGE’s 2025 RFP.

The Public Interest

As described above, the draft IE RFP was developed with attention on candidates’ understanding and experience with the challenges facing utility planning in the Pacific Northwest. PA Consulting’s proposal demonstrated this particular experience and was competitive with other highly qualified bids. The selection of PA Consulting also reflects stakeholder input, in as far as it was not opposed by Staff, the Company, or interested persons. All of these items speak to satisfying the public interest. In sum, Staff considered the OAR 860-089-0200(2) criteria and Staff’s evaluation is that the criteria support selection of PA Consulting as the IE for PGE’s 2025 All Source RFP.

⁷ *In re Portland General Electric Co.*, Docket No. UM 2274, Order No. 24-425 at 1x (November 25, 2024).

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Conclusion

Staff reviewed PGE's assessment, independently reviewed the IE bids, and considered the evaluation criteria in the Competitive Bidding Rules. Staff agrees with PGE's findings and recommends that the Commission approve PGE to engage PA Consulting as the IE for PGE's 2025 All-Source RFP.

PROPOSED COMMISSION MOTION:

Approve PA Consulting as the Independent Evaluator for Portland General Electric's 2025 All-Source Request for Proposals.

RA1 – UM 2371, IE Approval