

ORDER NO. 25-090

ENTERED Mar 05 2025

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 82

In the Matter of

PACIFICORP, dba PACIFIC POWER,

2023 Integrated Resource Plan.

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. RA2

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

REGULAR X CONSENT _____ EFFECTIVE DATE _____ N/A _____

DATE: February 24, 2025

TO: Public Utility Commission

FROM: Benedikt Springer

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

SUBJECT: PACIFIC POWER:
(Docket No. LC 82)
Motion for Extension to File 2025 Clean Energy Plan.

STAFF RECOMMENDATION:

Staff recommends that the Oregon Public Utility Commission grant Pacific Power a 90-day extension to file its 2025 Clean Energy Plan subject to Staff's conditions.

DISCUSSION:

Issue

Whether to approve Pacific Power's motion, delaying the Company's 2025 Clean Energy Plan filing by 180 days.

Applicable Rule or Law

According to OAR 860-027-0400(3), an energy utility must file an Integrated Resource Plan (IRP) within two years of its previous IRP acknowledgment order or as otherwise directed by the Commission. If the energy utility does not intend to take any significant resource action for at least two years after its next IRP is due, the energy utility may request an extension of its filing date from the Commission. An electric company subject to clean energy plan requirements in ORS 469A.415 must explain how it will make continual progress towards meeting the HB 2021 clean energy targets in ORS 469A.410 during the period of extension when making a request.

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ORS 469A.415(3)(a) states that a clean energy plan (CEP) must be based on or included in an IRP filing made no earlier than January 1, 2022, and filed no later than 180 days after the IRP is filed or developed within an IRP process and incorporated into the IRP filed with the commission.

OAR 860-027-0400(4) states that an electric company that is subject to ORS 469A.415 must file a CEP with the Commission concurrently with an IRP filing. If filing the CEP concurrently with the IRP would create an undue burden or a significant issue impacting IRP or CEP review exists, the electric company may file a written request to the Commission to extend the filing date for the CEP up to 180 days after the IRP filing date. If the Commission grants an extension for filing the CEP, it may establish an alternate schedule for a utility presentation and comments.

Analysis

Background

PacifiCorp (PAC or Company) filed its amended 2023 Integrated Resource Plan and Clean Energy Plan (IRP/CEP) with the PUC on May 31, 2023.¹ The Company had requested to delay the filing of its CEP by two months from the filing of its initial 2023 IRP (March 31, 2023), and in granting the request, the Commission established a schedule that provided for review of both plans concurrently.² On March 19, 2024, the Commission issued a decision acknowledging the Company's IRP in part, while not acknowledging the CEP.³ Specifically relevant here is the Commission's opinion that "we expect PacifiCorp to design its IRP process so that Oregon-specific analysis is upfront and visible to us in our review" and "we expect the Company to integrate the requirements of state policies into the IRP itself."⁴ PAC filed an IRP Update and CEP Supplement on April 1, 2024.⁵

PAC intends to file its 2025 IRP on March 31, 2025.⁶ On December 20, 2024, the Company filed a motion to delay submission of its CEP by 180 days to September 30, 2025.⁷ On December 27, 2024, Sierra Club, NW Energy Coalition (NVEC), and the Oregon Citizens' Utilities Board (CUB) (collectively, Joint Parties) filed an opposition to

¹ Docket No. LC 82, [PacifiCorp's Amended 2023 Integrated Resource Plan \(IRP\)](#), May 31, 2023. Docket No. LC 82, [PacifiCorp's 2023 Clean Energy Plan](#), May 31, 2023.

² Docket No LC 82, [Order No. 23-131](#), April 6, 2023.

³ Docket No. LC 82, [Order No. 24-073](#), March 19, 2024.

⁴ Docket No. LC 82, [Order No. 24-073](#), March 19, 2024, p. 8.

⁵ Docket No. LC 82, [PacifiCorp's 2023 Integrated Resource Plan](#), April 1, 2024. Docket No. LC 82, [PacifiCorp's Oregon Planning Supplement](#), April 1, 2024.

⁶ While PAC does not have to file its 2025 IRP in Oregon until May 31, 2025, the Company has stated it prefers to file concurrently in all jurisdictions at the earlier date.

⁷ Docket No. LC 82, [PacifiCorp's Motion for Extension](#), December 20, 2024.

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PAC's request.⁸ Staff met with Joint Parties on January 29, 2025, and the Company on January 30, 2025, to discuss the issues.

This memo addresses the four arguments made by the Company and Joint Parties in turn and concludes with Staff recommending a 90-day extension. This extension includes multiple conditions related to the 2025 IRP and compliance with HB 2021 emission rules. Before concluding, the memo discusses a tentative schedule for the review of the Company's 2025 IRP and CEP, which would be contingent upon the extent to which the filed IRP reflects CEP compliance requirements.

PAC Argument No. 1: Undue Burden/Significant Issue of Concurrent Filing

The Company posits an undue burden regarding the filing of its CEP together with its IRP in 2025. Compliance with IRP filing requirements in multiple states with, in some instances, contradictory policy regimes impacts PacifiCorp's ability to concurrently file its CEP with its IRP.⁹ PAC says that under the current processes and available resources, developing a comprehensive CEP can only be done when all IRP inputs are locked down. Further, the Company has developed new portfolio modeling approaches that surface insights into the resource actions that are needed to comply with HB 2021 while meeting system needs—an important first step in the development of a meaningful CEP. This means a concurrent publication would require the Company to have completed its IRP months before its actual release or to produce a CEP that lacks specificity, like in previous filings.

At the same time, PAC expresses that its IRP modeling and IRP action plan would contain most of the information required for demonstrating continual progress on actions required to meet HB 2021 emissions targets along with other CEP requirements.¹⁰ The Company explains that the CEP filed after the IRP would be a refinement that addresses other key questions, such as the cost associated with compliance, community-based renewable energy (CBRE) impacts and benefits, offsetting of fossil fuels from CBRE, and resiliency opportunities. Staff generally agrees with this characterization of the CEP. A CEP should be consistent with IRP modeling, laying out a path to compliance that reflects the goals of HB 2021 in terms of cost, feasibility, community benefits.

⁸ Docket No. LC 82, [Joint Parties' Opposition to PacifiCorp's Motion for Extension](#), December 27, 2024.

⁹ Docket No. LC 82, [PacifiCorp's Motion for Extension](#), December 20, 2024, p. 2. See OAR 860-027-0400(4).

¹⁰ See ORS 469A.415(4)(b) annual goals set by the electric company for action that make progress towards meeting the clean energy targets, (c) a risk-based examination of resiliency opportunities, (d) costs and opportunities of offsetting energy generated from fossil fuels with community-based renewable energy, (e) continual progress within the planning period towards meeting the clean energy targets set forth in ORS 469A.410, including demonstrating a projected reduction of annual greenhouse gas emissions and (f) result in an affordable, reliable and clean electric system.

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Joint Parties posit that, as a norm, both plans should be filed concurrently because only together do they paint a whole picture of the Company's long term resource strategy.¹¹ Additionally, Joint Parties argue that concurrent filing ensures neither plan is based on stale information. Overall, Joint Parties believe the Company is not offering an argument for an extension, but an argument for why it would always be an undue burden to file the documents together. Staff agrees with Joint Parties that OAR 860-027-0400(4) makes clear that concurrent filing of IRP/CEP should be the norm unless an *undue burden* or *significant issue* arises in a particular instance. This interpretation is supported by the rulemaking record in AR 655.¹² However, Staff believes the intent behind the rule is not the exact filing date, but a joint review to allow "for a better comparison between the two documents (if they are separate) and enable individuals to see how they work together while making review of the documents more efficient."¹³

Staff finds that the issues presented in the Company's motion may not necessarily constitute an *undue burden*; however, Staff believes they do pose a *significant issue* that warrants an extension. Practically, the Company has indicated that it is not ready to publish a meaningful CEP that utilizes the IRP's insights into HB 2021 resource needs. Given Commission direction for a CEP with meaningful action, including an "executable action plan" instead of ideas or levers, Staff finds having some delay increases the possibility that the Company will deliver a CEP with the desired level of details.¹⁴

However, such a delay should not compromise the ability to have a meaningful overlap of the analysis of the IRP and CEP. In considering the length of the delay, Staff weighed the value of the Company submitting a plan with details and actions, against the risk of the Company filing a CEP lacking details. Staff also considered Joint Parties' request to limit any extension to 60 days. Staff expects that a delay of 90 days instead of 180, would serve the dual goals of receiving a better CEP, without sacrificing the value that comes with concurrent analysis. Staff discussed this with PacifiCorp staff prior to publishing this memo and they were open to a shorter extension of 90 days. A June 30, 2025, filing date for the CEP could still allow Staff to review IRP and CEP together since IRP processes should take about six months. The Commission's goal of parallel review will still be met.

PAC Argument No. 2: UM 2345 Impact on CEP Review

PAC argues that UM 2345 presents significant issues that would impact CEP review. Specifically, the Company explains that it would be best to delay the filing of the CEP in

¹¹ Docket No. LC 82, [Joint Parties' Opposition to PacifiCorp's Motion for Extension](#), December 27, 2024, p. 2ff.

¹² AR 655, [Order No. 23-198](#), Appendix A, June 7, 2023, p. 5.

¹³ AR 655, [Order No. 23-198](#), Appendix A, June 7, 2023, p. 5.

¹⁴ Docket No. LC 82, Order No. 24-297, August 28, 2024, p. 3.

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order to be able to address the outcome of the pending docket in the CEP filing.¹⁵ Joint Parties argue the opposite, stating that a timely filing of the CEP would help the Commission resolve UM 2345.¹⁶

Staff regards UM 2345 and the CEP filing date as separate issues. Both UM 2345 and IRP/CEP review can proceed orderly regardless of filing dates. Staff does not believe potential remedies in the contested case are dependent on the CEP. At the same time, PAC must continue to plan its least-cost, least-risk, policy-compliant portfolio and action plan regardless of the outcome in UM 2345.

PAC Argument No. 3: 2025 Issuance of RFP

The Company offers the supporting argument that they will proceed with a 2025 RFP, independently of the date of the CEP filing.¹⁷ Joint Parties worry that the Company's 2025 IRP will not show compliance with HB 2021 emission targets, and therefore the RFP based on it may not include resources necessary for Oregon.¹⁸ Staff does not believe the 90-day extension of the CEP filing will affect PAC's timely issuance of a 2025 RFP, to which the Company committed in the motion for extension.¹⁹ With regard to need and resource selection, Staff expects PAC's 2025 RFP to align with the most recently filed IRP and include Oregon-specific elements like consideration of situs resources and community benefits (CBI).²⁰ Staff hopes that Joint Parties' main concern, the Company picking a preferred portfolio and action plan that do not comply with Oregon emission rules, is assuaged by the proposed conditions.

PAC Argument No. 4: Alignment with Washington CEIP

Lastly, PAC explains that filing the CEP closer to the Washington Clean Energy Implementation Plan (CEIP), which is due October 1, 2025, would result in efficiencies for stakeholder engagement.²¹ Joint Parties counter that aligning the CEP filing with the Washington CEIP may create some efficiencies but is still an insufficient basis for an extension.²² Staff agrees with Joint Parties here. There may or may not be synergies

¹⁵ Docket No. LC 82, [PacifiCorp's Motion for Extension](#), December 20, 2024, p. 3ff.

¹⁶ Docket No. LC 82, [Joint Parties' Opposition to PacifiCorp's Motion for Extension](#), December 27, 2024, p. 4ff.

¹⁷ Docket No. LC 82, [PacifiCorp's Motion for Extension](#), December 20, 2024, p. 5.

¹⁸ Docket No. LC 82, [Joint Parties' Opposition to PacifiCorp's Motion for Extension](#), December 27, 2024, p. 6f.

¹⁹ Docket No. LC 82, [PacifiCorp's Motion for Extension](#), December 20, 2024, p. 5.

²⁰ This includes CEP elements in ORS 469A.415(4)(a) – (f), small-scale renewable requirements in ORS 469A.210, as well as competitive bidding rules in OAR 860-089-0100 – 0500. For relevant CBIs, see Docket RE 199, [PacifiCorp's 2024 Community Benefits Biennial Report](#), December 30, 2024, p. 31.

²¹ Docket No. LC 82, [PacifiCorp's Motion for Extension](#), December 20, 2024, p.6.

²² Docket No. LC 82, [Joint Parties' Opposition to PacifiCorp's Motion for Extension](#), December 27, 2024, p. 7f.

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from aligning the CEP filing with the filing of the CEIP, but Staff believes this does not raise to the level of undue burden or significant issue.

Extension Conditions: 2025 IRP Compliance with HB 2021

A major concern of Joint Parties is that PAC's 2025 IRP will not show compliance with HB 2021 emissions targets, making it ineffectual to review the planning document divorced from the CEP.²³ Staff agrees that the Company's ability to take actions that allow it to accomplish alignment between the IRP and the CEP hinges on whether the IRP adequately models compliance with emission rules under HB 2021. The Company has indicated that its draft IRP published on December 31, 2024, shows that it is planning to demonstrate a path to compliance with HB 2021.²⁴ In conversation with Staff, Joint Parties raised concerns about relying on an unvetted IRP to demonstrate compliance at this point, and questions whether the draft IRP provides the compliance demonstrations the Company claims it does. Staff similarly is uncomfortable relying on limited draft IRP data and unvetted approaches to determining jurisdictional compliance obligation strategies.

While Staff finds the detail the Company has included in its 2025 draft IRP on compliance with Oregon emission reductions encouraging, a recommendation to support a 90-day extension comes with the following conditions. The Company was made aware of these conditions and did not voice any objections.

1. The Company will add an Oregon compliance section or appendix to its IRP that explains more fully how the 2025 IRP preferred portfolio achieved compliance with HB 2021 emission targets.²⁵ Staff has provided the Company with questions to address in this section, including a sensitivity to understand emission reduction drivers.

The following questions were sent to the Company: Staff wants to know whether Oregon carbon emission rules are a binding constraint for the modeling of resource additions and dispatch. Specifically, Staff wants to know what is happening to existing resources in the jurisdictional portfolios. The Company should develop a sensitivity that helps show the main drivers behind emission reductions. The Company should explain the impact of the Company's natural gas dispatch strategy on Oregon emission compliance. The Company should explain what "compliance can be achieved through economic specified-source

²³ Docket No. LC 82, [Joint Parties' Opposition to PacifiCorp's Motion for Extension](#), December 27, 2024, p. 6f.

²⁴ PacifiCorp, [2025 IRP Draft – Volume 1](#), December 31, 2024.

²⁵ This will touch on all elements required for the CEP in ORS 469A.415(4) except (c), a risk-based examination of resiliency opportunities. The Company states it will expand on all elements, including c, in the CEP.

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wholesale sales of a portion of the excess supply, where the purchaser is responsible for the associated emissions” means. The Company should explain how compliance with HB 2021 impacts the emissions of the entire system. In particular, whether compliance with HB 2021 reduces PAC’s total system emissions, or whether other states’ emissions increase in proportion to decreases modeled in Oregon.

2. The 2025 IRP will include specific actions the Company is taking to achieve compliance with Oregon emission rules and small-scale renewable requirements.²⁶
3. Staff expects that the Company will acquire the resources and develop the processes necessary to file the 2027 CEP simultaneously with the 2027 IRP.

While not a condition for PacifiCorp, Staff has made clear that it will develop a schedule in the 2025 IRP that brings the IRP before the Commission for acknowledgement, only after stakeholders have had an opportunity to vet the IRP and the CEP together (see below). Staff maintains that the key intent behind OAR 860-027-0400(4) is to review both plans simultaneously to determine compliance with Oregon policy and to ensure that there is no contradiction between IRP and CEP.

Tentative Alternate IRP/CEP Review Schedule

Staff will work with the Company and stakeholders to establish a schedule that allows concurrent review of IRP and CEP. At this time the uncertainty around the actual 2025 IRP content makes it difficult to state what the overall IRP and CEP schedule should be. Staff’s hope is that the 2025 IRP will include, at a minimum, comprehensive additional information on GHG reductions and near-term actions related to HB 2021 compliance, per the conditions in this memo. If so, Staff may find that a full six months following the CEP submittal will not be needed for a comprehensive review.

Regardless, Staff is committed to more timely reviews than in the past. Per our discussion with stakeholders in UM 2348, we see the need and feel the urgency for more targeted, prioritized, faster but more iterative IRP review cycles given Oregon’s ambitious GHG reduction goals.

With regards to the PacifiCorp IRP/CEP, Staff plans to propose a high-level schedule showing how the IRP and a 90-day delayed CEP could be reviewed together once PAC files its IRP. Staff expects the schedule will reflect two rounds of comments. The first round will focus on the IRP without the additional CEP filing. The second and final round would include comments on the IRP, as well as the CEP filing. Staff then envisions the

²⁶ The Commission has directed the Company to file a small-scale resource acquisition strategy in compliance with ORS 469A.210 that includes timelines by April 2025, see Docket No. LC 82, [Order No. 24-297](#), August 28, 2024.

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IRP and CEP coming before the Commission for an acknowledgment decision together. Further, whether as part of UM 2345 or of the Company's own initiative, an RFP would be run concurrently and ultimately align with the IRP and CEP.

Conclusion

Staff recommends the Commission grant PAC a 90-day extension to file its CEP with conditions. Staff believes the extension will help Oregon receive a better plan with more meaningful analysis. It will also support the Company in developing the processes necessary to align the filings of its 2027 IRP/CEP. As outlined in its conditions, Staff expects the IRP and CEP to be consistent even if not filed concurrently. Staff will work with stakeholders to refine the proposed schedule, allowing for CEP review to be commensurate with the IRP. Staff sees this as a phased approach. Staff expects the IRP to demonstrate compliance with HB 2021 as directed by the rules and within three months begin to address related CEP issues. Staff will reserve final recommendations on the IRP until review of the CEP is complete.

PROPOSED COMMISSION MOTION:

Grant Pacific Power a 90-day extension to file its 2025 Clean Energy Plan subject to Staff's conditions.

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