PacifiCorp - Stakeholder Feedback Form

2027 Integrated Resource Plan

PacifiCorp (the Company) requests that stakeholders provide feedback to the Company upon the conclusion of each public input meeting and/or stakeholder conference calls, as scheduled. PacifiCorp values the input of its active and engaged stakeholder group, and stakeholder feedback is critical to the IRP public input process. PacifiCorp requests that stakeholders provide comments using this form, which will allow the Company to more easily review and summarize comments by topic and to readily identify specific recommendations, if any, being provided. Information collected will be used to better inform issues included in the 2027 IRP, including, but not limited to the process, assumptions, and analysis. In order to maintain open communication and provide the broader Stakeholder community with useful information, the Company will generally post all appropriate feedback on the IRP website unless you request otherwise, below.

Date of Submittal: _____

*Name: Benedikt Springer | Title: _____

*E-mail: Benedikt.springer@puc.oregon.gov | Phone: _____

*Organization: Oregon Public Utility Commission

Address: _____

City: _____ State: _____ Zip: _____

Public Meeting Date comments address: **August PIM** ☐ Check here if not related to specific meeting

List additional organization attendees at cited meeting: _____

***IRP Topic(s) and/or Agenda Items:** List the specific topics that are being addressed in your comments.

- Public Health Benefits
- CBRE

☐ Check here if you do **not** want your Stakeholder feedback and accompanying materials posted to the IRP website.

***Respondent Comment:** Please provide your feedback for each IRP topic listed above.

Staff appreciates PacifiCorp's continuing efforts to improve its modeling and to consider values that may not be fully reflected in traditional resource-cost analysis. At the same time, Staff has encouraged the Company before to start by identifying a specific question to answer or a specific decision to a analyze. Additional modeling is only useful when it tests an identified uncertainty, informs a choice, or establishes a decision threshold. Producing more modelling outputs does not necessarily improve the resource plan if the Company does not explain how those outputs will be used.

This issue is present in PacifiCorp's proposal to model public health benefits. The slides do not identify what decision the Company is trying to inform. Before stakeholders can provide meaningful feedback on methodology, the Company should explain what it expects to do with the results. Staff's feedback would depend on that answer.

> **PacifiCorp Response:** This effort is currently exploratory and is presented to foster discussion. We are looking for ways for the potential incremental value of CBREs (and small or local resources generally) to be measured and implemented in the IRP as a proxy cost offset to resources selections.

If PacifiCorp intends only to provide descriptive information about the potential health effects of its preferred portfolio, Staff has relatively limited concern. The Company should disclose its

* Required fields

assumptions, but the analysis would not necessarily require the level of precision needed to support a resource decision.

The analysis would require substantially greater scrutiny if PacifiCorp intends to use monetized health benefits to influence portfolio selection, justify procurement costs, or support recovery of a resource premium from Oregon customers.

PacifiCorp Response: Any measurement that would be used to modify costs for resource selection would necessarily be proxy-based, high-level and not attached to specific projects or locations, as is the case for all proxy resource data. As with all IRP portfolio outcomes, the results would provide a signal for continued evaluation and planning.

In that case, the Company would need to establish the *causal* relationship between the Oregon decision and actual changes in generating-unit dispatch or retirement on the system level; identify where the resulting health benefits occur; distinguish Oregon benefits from benefits occurring in other states; and explain how those benefits would enter the model or subsequent decision. PacifiCorp should also explain what result would cause it to select a different portfolio or incur additional procurement costs. Without such a decision rule, the analysis risks becoming another sensitivity whose significance cannot be evaluated.

PacifiCorp Response: To the extent that there are unmodeled proxy resource benefits that could be reasonably captured and may impact portfolio outcomes, these benefits could apply to all proxy resources of the relevant type across the system. However, this would be the subject of further discussion with all jurisdictions. The proxy resource characteristics and requirements may differ by jurisdiction, as with other proxy resource data. In some jurisdictions, resulting resource selection may affect compliance with regulation applicable to those resources.

Staff is interested in how the Company can consider direct benefits to local communities, as required by HB 2021. In particular, we would like to see more in-depth analysis on how/when community-based renewable energy can replace utility-scale resource cost-effectively. However, generalized production cost analysis is likely not the appropriate starting point for determining whether CBRE provides benefits not available from utility-scale resources. PLEXOS can estimate how a specified portfolio affects system dispatch, but it cannot determine which differences between CBRE and utility-scale resources are relevant unless the Company first defines those differences conceptually.

PacifiCorp Response: PacifiCorp has been searching for a way to do precisely this for several years – find a way to apply potential CBRE benefits to an IRP analysis. This may be considered appropriate to the extent that all proxy resource selections are generalized and not fixed to specific communities. However, this should not be construed as replacing or supplanting other efforts to consider possible programs or establish reasonable targets.

In regard to developing a more thorough CBRE analysis and establishing CBRE targets, Staff recommends the Company attempt to answer the following questions. This might provide an intersection with or potentially provide a way for public health analysis to give meaningful answers:

- **At what price would ratepayers/PacifiCorp be indifferent between acquiring a CBRE or utility-scale resource?** Compare resources providing equivalent energy, capacity, and timing in terms of their incremental system benefits.

PacifiCorp Response: PacificCorp cannot currently answer this question in the IRP, but may be able to if a proxy-based measure can be found to guide portfolio outcomes. A proxy benefit could be applied generically to resources of certain characteristics, such as small scale renewables or CBREs. The pursuit of this course would continue to be incorporated into public input meetings for discussion.
Once determined and applied, the magnitude of cost or benefit to the system could be determined compared to the assumption of utility scale resources. This would not be used to constitute a recommendation for a specific community or project.

- **Where and when does CBRE provide additional system value?** CBRE might be cost-effective, or at least closer to cost-effective when it avoids distribution system upgrades, reduce line losses, relieve transmission constraints, or provide other locational value.
  PacifiCorp response: IRP analysis currently assumes a transmission cost benefit for proxy small scale resources, which would also apply to CBREs if modeled competitively.
- **Does CBRE provide any additional public health or community benefits compared to utility scale resources?** Identify a public health or community benefit derived from a CBRE that cannot be provided by a utility scale resource.
  PacifiCorp Response: This is precisely the question contemplated by the presentation, suggesting that there are ways to evaluate potential CBRE benefits which could be applied to proxy resources selections. This is an open discussion of how this might be approached.
- **What program would allow cost-effective acquisition of CBRE?** Putting together the analysis from the previous three questions could allow the Company to establish procurement targets for specific CBRE that are cost-effective from a utility perspective, a societal perspective, or could become cost-effective with participation from third-party funders.
  PacifiCorp Response: Identifying a specific program is currently beyond the scope of an IRP evaluation, which would most likely be implemented as a credit against the cost of proxy CBREs applicable to modeling. The results would provide guidance as to the potential for CBRE selection as compared to utility scale.

Data Support: If applicable, provide any documents, hyper-links, etc. in support of comments. (i.e. gas forecast is too high - this forecast from EIA is more appropriate). If electronic attachments are provided with your comments, please list those attachment names here.

Recommendations: Provide any additional recommendations if not included above - specificity is greatly appreciated.

Please submit your completed Stakeholder Feedback Form via email to IRP@Pacificorp.com
Thank you for participating.

* Required fields