Oregon Clean Energy Plan (CEP) Engagement Series

September 2024 Meeting Notes

Tuesday, September 10, 2024, 9:00 -11:00 am Pacific Time

These notes were synthesized and summarized by E Source, PacifiCorp's meeting facilitation partner.

Executive Summary

There were 39 people in attendance, including members of the public and PacifiCorp representatives, at the second iteration of the Oregon Clean Energy Plan Engagement Series meeting this year. The virtual meeting, which was hosted via the Zoom platform, aims to provide an integrated lens on clean energy planning with expanded learning opportunities to foster a deeper understanding of programs and outreach while gathering public input.

To maximize accessibility, the meeting was recorded for those who could not attend and Spanish and ASL interpretation/translation were provided.

The following is a summary of the content and feedback received during the 3-hour public meeting.

Session Objectives

1. Provide Oregon Clean Energy Plan and Oregon Regulatory updates
2. Review Section 6 of House Bill 2021: Biennial Report requirement and relay ongoing related activities
3. Discuss Integrated Resource Plan updates and assumptions
4. Share Community Based Renewable Energy and Distribution System Planning updates

Opening

PacifiCorp's Director of Clean Energy Planning, Dr. Rohini Ghosh, opened the CEP meeting by welcoming the attendees and thanking the public for continued participation. Public perspectives are essential to achieving meaningful impacts on communities. E Source's Jeffrey Daigle reviewed meeting experience items, provided an overview of the agenda and objectives, and introduced the presenters.

Regulatory Updates

Rohini Ghosh provided regulatory updates focusing on the Oregon general rate case (UE 433), the Transition Adjustment Mechanism (UE 434), and the Power Cost Adjustment Mechanism (UE 439) sharing the progress of the procedural schedules. The Oregon general rate case establishes base rates

for all costs the company incurs except for net power costs and are only filed as needed. Transition adjustment mechanism establishes base rates for net costs and is filed annually. Power cost adjustment mechanism aims to recover the difference between actual net power costs and forecasted net power costs with annual filings. The current schedule is below:

Oregon General Rate Case (UE 433)

- Parties have exchanged pre-filed written testimony
- Hearing scheduled for September 26, 2024
- Order expected in mid/late-December
- Rate changes to go into effect January 1, 2025

Transition Adjustment Mechanism (UE 434)

- Stipulation on mechanism filed on July 22, 2024
- Order expected late-October
- 2025 net power cost forecast calculated in early November 2024
- Rate changes to go into effect January 1, 2025

Power Cost Adjustment Mechanism (UE 439)

- Parties contesting actual expenses incurred in 2023
- PacifiCorp reply testimony due September 25, 2024
- Hearing scheduled for October 8, 2024
- Order expected mid-December 2024
- Rate change date TBD, depending on timing for order

Clean Energy Plan

Dr. Ghosh provided Clean Energy Plan updates specific to the 2023 Clean Energy Plan filed on May 31, 2023. In March 2024, Commission Order No. 24-073 adopted Staff's recommendations and declined to assess continual progress in lieu of reviewing the forthcoming IRP and CEP updates. Order 24-073 condition 8 "directs PacifiCorp to work collaboratively with Staff, stakeholders, peer utilities, environmental justice groups, and CBIAGs in a dedicated working group to develop clear, actionable improvements to community and stakeholder engagement in subsequent IRP/CEPs by December 31, 2024. If PacifiCorp cannot complete this effort by this timeline, PacifiCorp should provide a detailed status update and explanation of how it will ensure that remaining issues are resolved as soon as practicable, inclusive of the perspectives of peer utilities and the utilities' CBIAGs."

On April 1, 2024, PacifiCorp filed in 2023 IRP Update and OR CEP Supplemental to address changes to federal and state policies and included modeling improvements to integrated state requirements. On June 14, 2024, staff and stakeholders submitted comments with the company replying by July 12, 2024. On August 28, 2024, Commission Order No. 24-297 found that PacifiCorp did not make continual progress in its CEP.

Commission Order No. 24-297 finds that PacifiCorp did not make continual progress towards meeting HB 2021 defined 2030 emissions reduction goal;

- Commission acknowledges that the company faced significant challenges and changed circumstances between filing of 2023 IRP and 2023 IRP Update,
- Commission declines to adopt a definition of continual progress under HB 2021 but,

- Finds that PacifiCorp's trajectory falls too short of emissions goals without a commitment to a plan for improvement.
- Directs Staff to open a new docket intended to result in an order that PacifiCorp will issue a Request for Proposal (RFP) by a certain date;
- Directs PacifiCorp to file a small-scale resource acquisition strategy by April 2025.

On August 30, 2024, the Public Utility Commission of Oregon opened Docket UM 2345 (PacifiCorp Continual Progress towards HB 2021 Compliance).

As a response, the company is planning to submit a report to the Commission outlining stakeholder feedback, input, and action items for the company to grow its engagement in 2025. PacifiCorp will send out a survey to solicit feedback from stakeholders to open discussion about what has and has not worked and areas of improvement.

Meeting discussion:

- Michelle Scala of the OPUC asked how the survey would be framed? Would it be mostly open-ended or more restrictive? If there is space for a collaborative working session, either alongside or in lieu of the survey, it is worth considering.
    - Dr. Ghosh shared that the team has not yet decided on a survey or a working session, it is just dependent upon stakeholder capacity and availability. The survey is intended to be a mix of open-ended text, multiple choice, and ratings. The team is still open to feedback.
- Silvia Tanner of Multnomah County Office of Sustainability agreed with Michelle, echoing the importance of a survey that is more open for people to write their thoughts.
- Sarah Wochele of the OPUC explained that a working group is helpful to get everyone's thoughts together and can be more fruitful than just a survey.

Biennial Report: An Overview

Christina Medina, Manager of Stakeholder Policy and Engagement, shared Biennial report updates related to key state regulatory and policy requirements. The Biennial report is a requirement out of Section 6 of House Bill 2021 which 1) requires electric companies to develop Clean Energy Plans and electricity service suppliers to report information for meeting clean energy targets and 2) requires electric company that files Clean Energy Plan to convene Community Benefits and Impacts Advisory Group with input from stakeholders who represent interests of customers and affected entities and communities and 3) requires electric company to file biennial report with Public Utility Commission that assesses community benefits and impacts of electric company.

UM2225 of Order 22-390 further details engagement and Community Benefit Impact requirements with Oregon Public Utility Commission level-set expectations for HB 2021.

Section 6 of HB 2021 (2)(a) asks for the utility, with consultation from the CBIAG, to file a biennial report that assesses the **Community Benefits and Impacts** of the electric company. The biennial report must include a description of the following:

- Energy burden and disconnections for residential customers and disconnections for small commercial customers.
- Opportunities to increase contracting with businesses owned by women, veterans or Black, Indigenous, or People of Color
- Actions within environmental justice communities within the electric company's service territory intended to improve resilience during adverse conditions or facilitate investments in the distribution system including investments in facilities that generate non emitting electricity;
- Distribution of infrastructure or grid investments and upgrades in environmental justice communities in the electric company's service territory, including infrastructure or grid investments that facilitate the electric company's compliance with the clean energy targets set forth in section 3 of this 2021 Act
- Social, economic, or environmental justice co-benefits that result from the electric company's investments, contracts, or internal practices;
- Customer experience, including a review of annual customer satisfaction surveys;
- Actions to encourage customer engagement
- Other items as determined by the electric company and the electric company's Community Benefits and Impacts Advisory Group.

The Community Benefit and Impact Advisory Group will weigh in on these items:

- In Order 22-390, the Public Utility Commission of Oregon recommends utilities adopt one CBI for each of the following topic areas;
    - Resilience
        - Outages and duration
    - Health and community well-being
        - Disconnections
    - Environmental impacts
        - Renewable energy and emission reduction
    - Energy Equity
        - Energy burdened households
    - Economic impacts
        - Community focused efforts and investments

Order 22-390 also recommends utilities include one metric for each of the following categories;

- Informational CBIs
- Community Based Renewable Energy (CBRE) focused CBIs
- Portfolio CBIs

CBIs for each of the five topic areas (i.e., resilience, health and community well-being, environmental impacts, energy equity and economic impacts) will be characterized as one of the three CBI categories (informational, CBRE focused or portfolio). The current CBI framework is as follows: (please note that blue text indicates draft CBIs. PacifiCorp will also work with partners, such as Energy Trust of Oregon, to revise if needed, and identify related actions and metrics.)

CBI Category	CBIs (Outcomes)	Indicator
1) Resilience	a) Improve Resiliency of Vulnerable Communities During Energy Outages	SAIDI, SAIFI, CAIDI at area level including major events
	b) Reduce Frequency and Duration of Energy Outages	Energy Not Served (ENS) for IRP portfolios are included as an output from portfolio development
2) Community Health and Well-being	a) Decrease Residential Disconnections	Number of residential disconnections by census tract
3) Environment	a) Increase Energy from Non-emitting Resources and Reduce CO2e Emissions	Oregon GHG emissions (from Oregon-allocated resources)
		Oregon allocated renewables
4) Energy Equity	a) Decrease Proportion of Households Experiencing High Energy Burden	Average Energy burden by census tract, for low-income customers, bill assistance participants, Tribal members and for all customers
	b) Increase Efficiency of Housing and Small Businesses in Disadvantaged Areas*	**To be determined**
5) Economic	a) Increase Community-Focused Efforts and Investments	Headcount of DSM program delivery staff & grants
		Public charging stations
		Pre-apprenticeship / educational program participation
		Energy supply resource development - workforce and spend
	b) Reduce Barriers for Disadvantaged Communities for Company Program Participation*	**To be determined**

Meeting discussion:

- Silvia Tanner of Multnomah County Office of Sustainability asked how the company is thinking about CBIs through the 2025 IRP? There might be work still happening to allow the CBIs to evolve.
    - Christina Medina hopes that the CBIs continue to evolve as research and knowledge expands and plans shift. There are some CBIs that are easier to develop as the company has already successfully executed in Washington and has the data to support, on the contrary, some CBIs are less studied, and the data development is in preliminary stages.
    - Ms. Tanner reiterated that the group would really like to see an additional environmental CBI as related to air quality.

Integrated Resource Planning

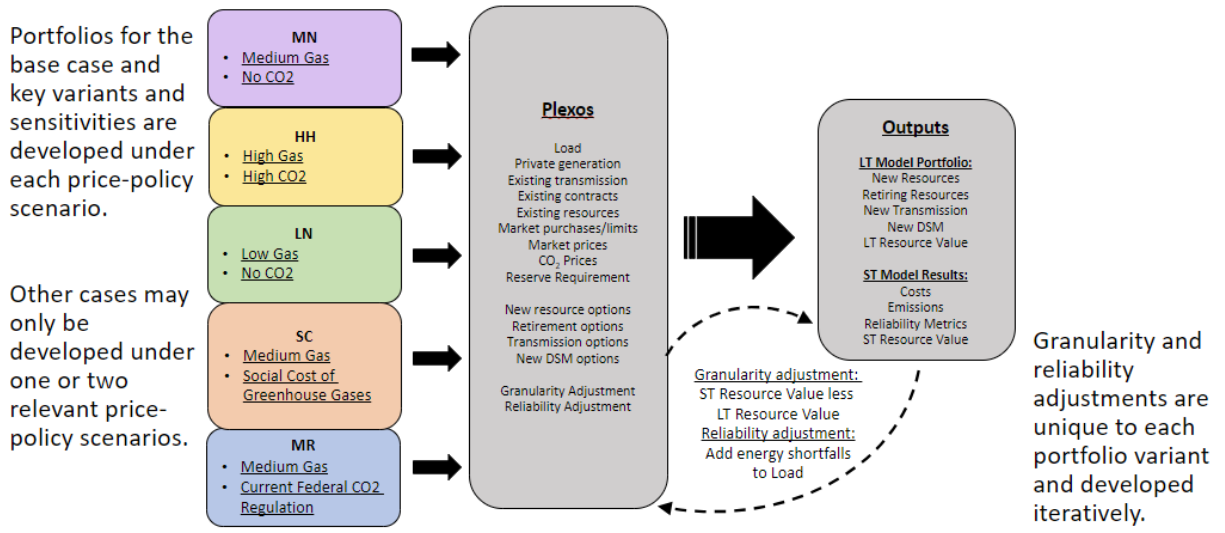
Randy Baker, Director of Resource Planning, reviewed the IRP portfolio development and how it will affect the 2025 IRP and the upcoming CEP update. Traditionally, the IRP provides an optimized view of long-term planning, covering a 20–year horizon. The focus of the long-term plan has been to evaluate the least cost least risk plan for our entire six-state service territory. The plan's ultimate expression is the combination of coordinated resources called the 'preferred portfolio.' The IRP modeling determines when, where, how much, and what type of resources to add given forecasts of energy need and energy prices across the long-term future.

PacifiCorp's Clean Energy Plan for Oregon uses the same modeling tools but focuses more directly on meeting Oregon's planning needs. In the first CEP for Oregon, the approach was to first establish the resource plan for the entire system and then evaluate additional resources that would need to be layered on to meet Oregon's House Bill 2021 and other legislated goals. This approach made sense because the direction of the six-state system and Oregon's CEP objectives aligned closely. There was a possibility that no additional resources would be needed for Oregon, depending on the system-level outcome for all states.

Previous IRP cycles sought to meet Oregon and Washington requirements through "layering on" needed resources **after** the final selection of the system-wide least cost, least risk portfolio. In the 2023 IRP Update, an initial portfolio was modeled appropriate to each state to determine the optimal portfolio and then to integrate the results into a final preferred portfolio for everyone. The 2025 IRP will also use this strategy. Integrating all states' compliance requirements before finalizing the preferred portfolio:

- Determines competitive least-cost, least-risk portfolios specific to each state inclusive of state requirements
    - Oregon Constraints:
        - Clean Energy Plan (CEP) emission compliance (HB 2021)
        - Oregon small-scale resource requirement (<20 MW)
        - RPS
- CA/UT/WY/ID Constraints:
    - These states are currently broadly aligned for IRP purposes
- Washington Constraints:
    - Clean Energy Transformation Act (CETA) compliance
    - SCGHG included in resource dispatch
    - RPS
- All initial state runs are combined based on each state's resource selections. The final "integrated" preferred portfolio meets all state compliance requirements and honors each state's resource selections.

For the 2025 IRP, there are fundamental model setups describing five price-policy scenarios. Each portfolio will be evaluated for cost and risk among three natural gas price scenarios (low, medium, and high) and three carbon dioxide (CO2) price scenarios (zero, regulatory mandate and high). An additional emissions cost scenario evaluates performance assuming a price signal that aligns with the social cost of greenhouse gases (SCGHG). Taken together, there are five distinct price-policy scenarios representing a range of futures.



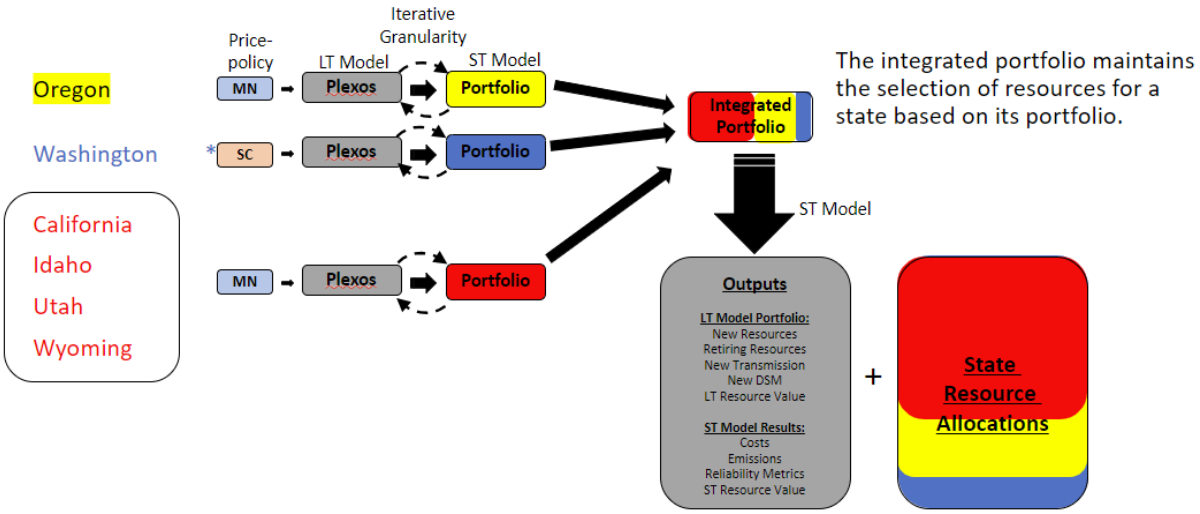
Each price-policy scenario will be used for many cases to evaluate portfolios and portfolio dispatch under many conditions. This gives insight into how robust a portfolio may be under future conditions, which may inform final selection of the preferred portfolio. Among the cases that will be run under various price-policy scenarios are:

- The base assumptions – these are the assumptions representing the company's expected set of requirements and constraints, of which you can see a sampling in the large center gray bubble.
- Alternative assumptions, such a variant that assumes no new gas resources are allowed, or no climate change considerations are made.

Each model run produces a set of outputs, including the portfolio itself – retirements, coal-to-gas conversions, Carbon Capture and Sequestration technology, demand-side resources, and supply-side proxy resource selections, for example. Also included are selected transmission options, market purchase and sales, emissions output, reliability metrics and of course, the cost of each portfolio. Each study includes a process of integrating short-term modeling results back into long-term modeling inputs using granularity and reliability adjustments. Both adjustments are mathematically dictated by the short-term model outcomes. The reliability adjustment is simply the shortfalls in short-term modeling outcomes, such as energy not served. These shortfalls are given back to the long-term model as additional load or energy requirement for the long-term model to meet.

The outputs in the gray box at right, detail the commitments in the 2025 IRP and the upcoming CEP to build on the reporting improvements and transparency achieved in the 2023 IRP.

The graph below illustrates how the initial portfolio is developed and integrated.



* Washington requires the inclusion of the social cost of greenhouse gases in resource dispatch.

The 2025 IRP will include:

1. Initial studies that cover state-specific policies and constraints that will be integrated into the unified preferred portfolio
2. Variant studies that are eligible for consideration to be the preferred portfolio
3. Sensitivity studies that require fundamentally different inputs for informational purposes, and are not considered for the preferred portfolio

The 2025 CEP will include Oregon-specific sensitivities:

a. No small-scale renewable requirement
b. Community Based Renewable Energy (CBRE) valuation study
c. No nuclear resources*
d. No non-emitting Peaker plants or future clean alternative fuels assumption*
e. Other?

Community Based Renewable Energy (CBRE) Updates

Ryan Harvey, PacifiCorp Program Manager, shared an update on the Community Based Renewable Energy – Resilience Hub pilot program, revealing that the filing was submitted on July 30, 2024. The CBRE-RH pilot has 3 components:

1. **TECHNICAL ASSESSMENTS:** Continue to provide feasibility studies (begun in 2020) to communities interested in better understanding the costs and requirements of solar and battery energy storage systems at critical community facilities
    - Provide a mechanism of support for communities that have yet to begin CBRE project development
2. **ONGOING PROJECT SUPPORT:** Leverage expertise and provide supplemental funding to support the planning for, and installation of, the battery storage component of planned and existing resilience projects to provide grid-enabled system-wide benefits and learning outcomes
    - Aid in the interconnection of funded, in-flight resilience projects with grid-enabled storage to capture takeaways & learnings with:

2a) Design Support

2b) Incentive Offering

2c) Ongoing Data Collection

3. **GRANT MATCHING:** Establish a mechanism to provide matching funds for communities seeking external grant awards for resilience projects at critical facilities
    - Assist communities as they take advantage of existing funding opportunities

Stakeholders provided CBRE-RH feedback as outlined below:

Already Part of PAC's Resilience Evaluation Approach	Additional Feedback Under Consideration
Track Households within 5 miles of a resilience hub	Leverage stakeholders to identify outreach orgs.
Track Households with Limited English	Track Community Emergency Mgmt. Planning
Track projects in High Fire Consequence Areas	Track number of disconnections in communities
Track Households with Medical flags	Coordinate with OREM Resilience hub planners
Track Households with residents under 6, over 65	

As related to the resilience CBI, improving resiliency of vulnerable communities during energy outages, stakeholders suggested a few metrics to track within the pilot:

- Number of outreach "connections" made in a community, by type of entity
- Number of connections that result in a feasibility study performed
- Reasons an entity chooses not to move forward with a project/study
- Number of feasibility studies provided by ETO

Meeting discussion:

- In reference to tracking projects in High Fire Consequence Areas, Silvia Tanner of Multnomah County Office of Sustainability asked if PacifiCorp is tracking public safety power shutoffs.
    - Mr. Harvey answered that the company is tracking public safety power shutoffs and in the next segment more information will be provided.
        - Ms. Tanner asked about the available funding for the pilot.
            - Mr. Harvey shared that the Company has asked for approval of $4M.

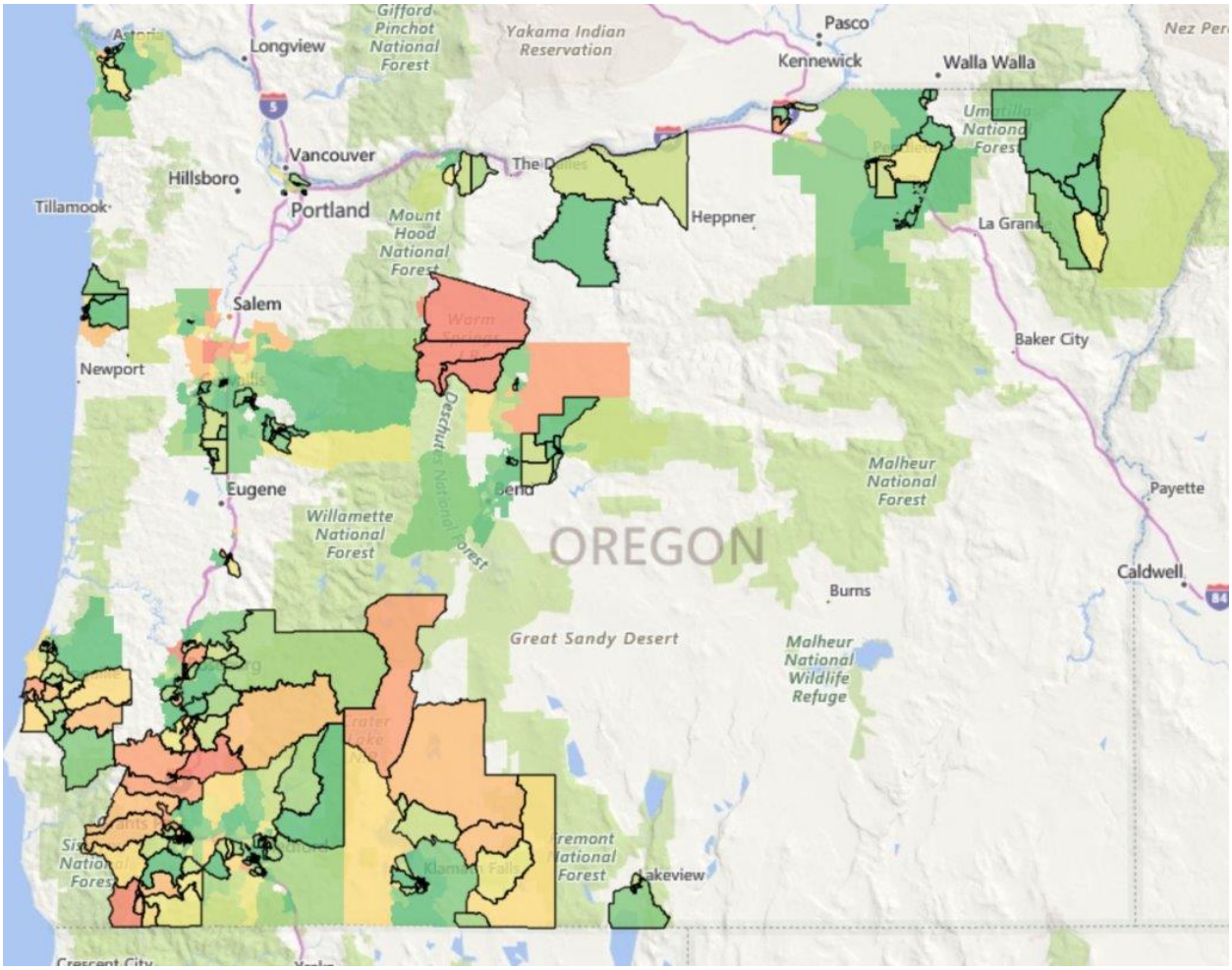
Ian Hoogdendam, Director of Distribution System Planning, provided an update on the progress and planning around developing metrics related to resiliency in the Clean Energy Plan.

- **Defining resiliency and resiliency goals:** The critical first step to begin incorporating resilience into CEP programs is defining resiliency and corresponding strategic objectives and targets. PacifiCorp intends to develop an initial definition and strategic goals for its resiliency program through recurring stakeholder meetings as discussed in Chapter II above. PacifiCorp expects this to include definitions of **utility resilience, community resilience, and community-utility resilience**, which will serve as the overall concept for resilience that informs subsequent analysis and planning.
- Developing community-utility resilience metrics PacifiCorp intends to **combine census tract level community and utility resilience scores into a composite community-utility resilience score**. This score will be used to identify and prioritize census tracts for additional analysis of system performance including outages and major events.

The components of resiliency metrics include community resilience to long duration outages analyzing health, preparedness, and evacuation, utility resilience analyzing outage duration, and community-utility resilience analyzing percentile of utility resilience. Using the Census, CDC/PLACES, utility data, OSU PRISM, and FEMA/Red Cross data, the company is measuring health vulnerabilities by age, health conditions, medical flags on accounts, and weather. Preparedness is measured by education, housing and occupancy characteristics, income and government assistance, and language barriers. Evacuation is measured by housing and occupancy characteristics, vehicle availability, income, and proximity to emergency shelters with backup generation. The data from Environmental Justice 40 (EJ40) disadvantaged communities is also being mapped using the ability to apply filter on dataset to focus on EJ40 disadvantaged communities to help identify grant opportunities that can lower the financial barriers to implementing a solution to reduce outage vulnerability. Disadvantaged communities defined as Census tract that exceeds one or more of the following category thresholds:

- Climate change
- Energy
- Health
- Housing
- Legacy Pollution
- Transportation
- Water and wastewater
- Workforce development

PacifiCorp created a map highlighting the health, preparedness, and evacuation vulnerabilities to create a combined community utility resilience score with EJ40 disadvantaged communities. 0.00 indicates the highest resilience and lowest vulnerability while 0.90 represents the lowest resilience and highest vulnerability. This evaluation does account for High Fire Consequence Areas to get an idea of what is contributing to poor reliability in certain areas.



The company can identify opportunities to work with facilities, such as FEMA and Red Cross, to develop resilience hubs. FEMA and Red Cross have a database of facilities that can serve as a shelter in the event of a disaster, including indication if facilities have backup generation. This data can be overlayed with the map above to understand where community need is the direst. The Company has established relationships with community and public safety partners to identify sites where the Company may activate a Community Resource Center (CRC) to provide services to communities during a PSPS event. The Company plans to review facilities near vulnerable communities with local emergency planning teams for potential opportunities for resilience based CBRE projects.

Meeting discussion:

- Bayoan Ware asked when will the maps with overlays be available?
    - Mr. Hoogendam shared that the maps do have to undergo internal review before being made public, but they are expected to be published soon.

Public Comment

There was no public comment.

2024 Engagement Opportunities

Community Benefits and Impacts Advisory Group Meeting (CBIAG) (ONLINE)
When: September 19, 2024
Time: 1:00 pm – 4:00 pm
Online: https://esource.zoom.us/j/82499466615?pwd=0Pwe5R5fZbDjHm9kgomljG20btLciw.1

Clean Energy Plan Engagement Series for Oregon Tribal Nations Meeting (HYBRID)
When: September 27th, 2024
Time: 9:00 am – 11:00 am
Online: https://esource.zoom.us/j/86554841515?pwd=0lY41ZKiPhpPG0HZYr0kWfMJpaQySx.1
Onsite: Warm Springs Power & Water Enterprises located at 5180 Jackson Trail Road Warm Springs, OR 97761

Facilitated Listening Circle

For psychological safety, the facilitated listening circle (second half of the 3-hour scheduled session) was not recorded. Potential topics posed include Community Benefit Indicators, engagement, Community Based Renewable Energy, Distribution System Planning, and Integrated Resource Planning. The group had 90 minutes to bring awareness to any topics or concerns lingering, provide feedback on the current process and engagement space, and make suggestions for moving forward.