

# Clean Energy Plan (CEP) Engagement Series

October 2023 Meeting Notes

Friday, October 27, 2023, 1:00 -4:00 pm Pacific Time

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

## Executive Summary

There were 66 people dialed into the October 27<sup>th</sup> CEP Engagement Series, including members of the public and Pacific Power representatives. The fifth iteration of the CEP Engagement Series meeting was hosted virtually, through the Zoom platform, and reflected on the creation of the engagement space and updates related to the Pacific Power Clean Energy Plan. Additionally, the meeting followed up on information presented on Small Scale Renewables (SSR) and Community-Based Renewable Energy (CBRE) resources.

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

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

## Session Objectives

1. Provide Clean Energy Plan (CEP) Updates
2. Deepen understanding of:
  - Small Scale Renewable Procurement
  - Community-Based Renewable Energy (CBRE)
3. Envision & plan for future CEP Engagement

**Slides and audio recording available in English and Spanish below:**

[Clean Energy Plan Engagement Series 5 Slides \(English\)](#)

[Clean Energy Plan Engagement Series 5 Slides \(Spanish\)](#)

**Clean Energy Plan Engagement Series 5 Recording - [part 1](#), [part 2](#), [part 3](#)**

## Opening

PacifiCorp's Stephanie Meeks welcomed participants to the meeting and handed it off to E Source's Morgan Westberry, who covered meeting logistics and introduced the agenda.

## Reflection on this Engagement Series

Pacific Power's Stephanie Meeks reflected on the driving factors that lead to the CEP Engagement Series being created, which was designed to complement the various existing engagement spaces. In socializing the Clean Energy Plan (CEP), Pacific Power identified opportunities to expand public engagement on the contents of the plan and have a venue to provide relevant updates to those interested. Additional thought

was also given to increasing accessibility aspects of the engagement, which resulted in providing translation services for Spanish and ASL participants, as well as posting recordings of the meetings so that the information could be accessed by those who had schedule conflicts.

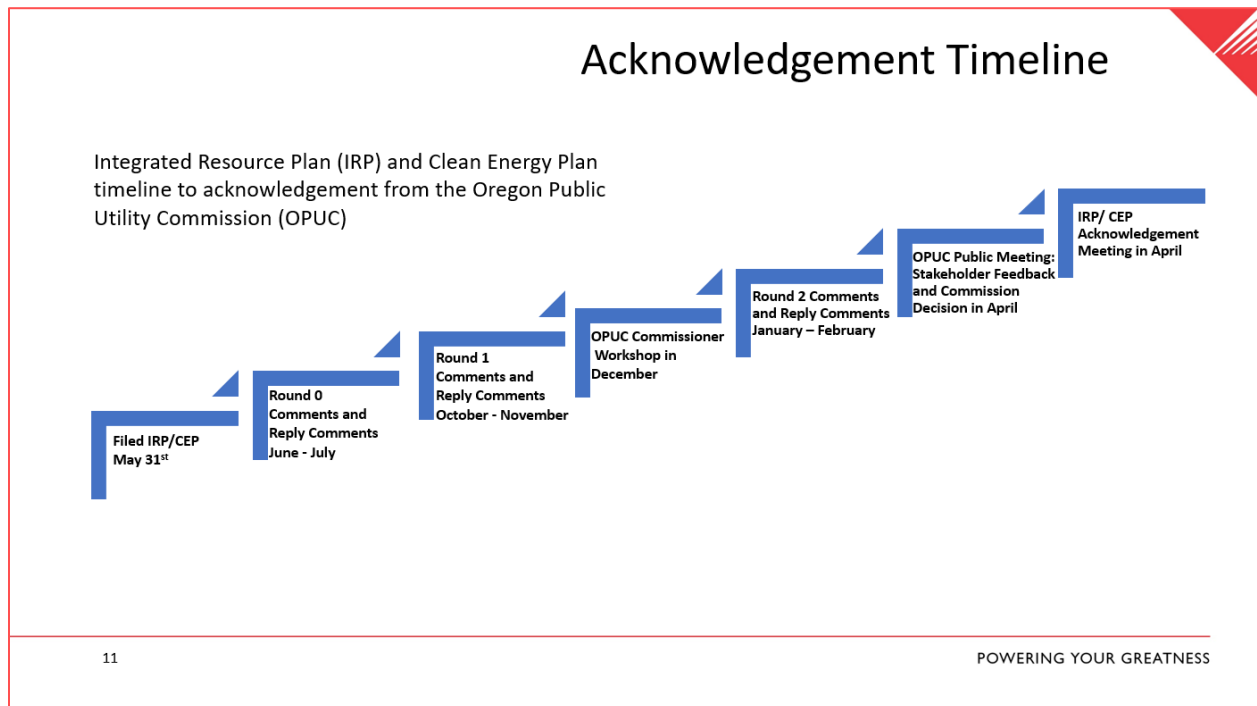
The CEP Engagement Series initiated with an overview of the Clean Energy Plan requirements, as defined in HB2021, and information on the CEP that was drafted by Pacific Power. From there, deeper dives on the contents of the plan ensued, including great details on the integrated resource plan (IRP), pathways to emissions targets, and various resource procurement and program topics. Public engagement was encouraged, and tracked, throughout these sessions to inform the Inaugural Clean Energy Plan that was filed. Post filing, the engagement continued to further breakdown the components of the CEP, action plans, and gather additional input on upcoming opportunities, such as the community-based renewable energy grant proposal (CBRE).

Moving into 2024, Pacific Power would like to continue to provide this engagement space and will be asking for feedback, via a survey, on topics and timing.

## Clean Energy Plan Updates

### Timeline

Pacific Power’s Stephanie opened this section by providing an update on the timeline, depicted below.

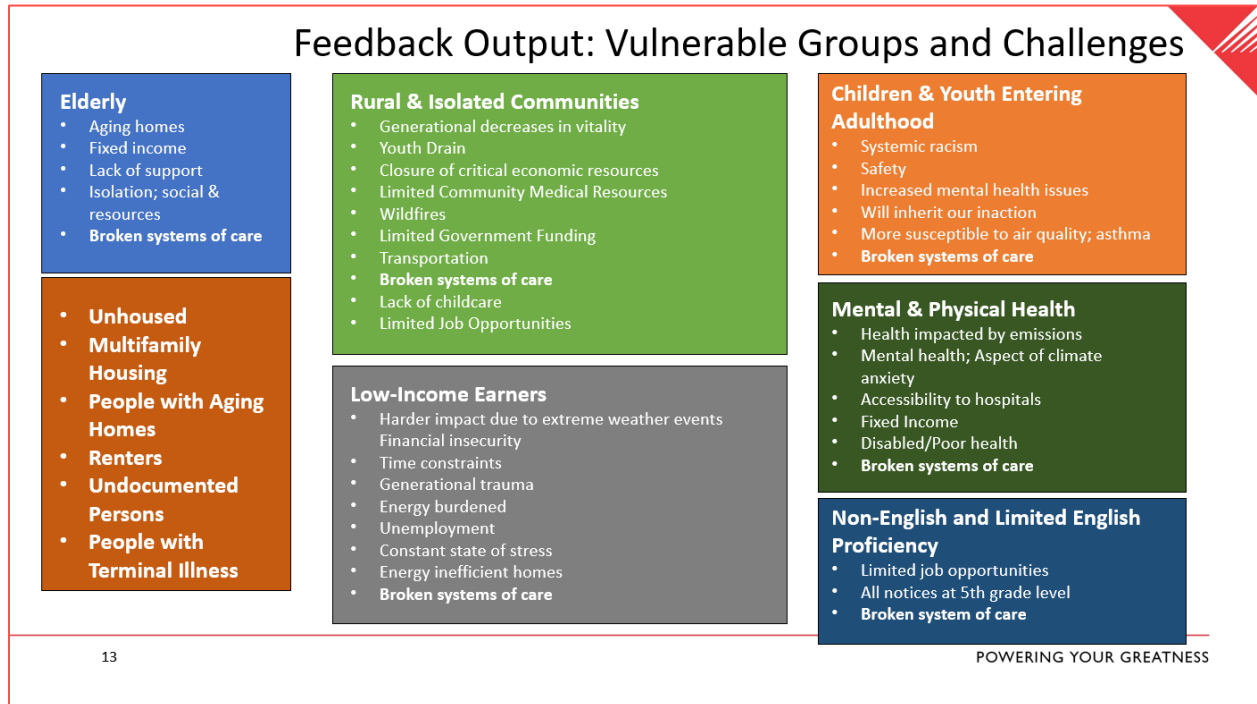


### Feedback Tracker

Stephanie Meeks continued by sharing the newly posted Feedback Tracker (INSERT LINK), which is available online. This tool was developed as a mechanism to demonstrate the feedback received and, where applicable, how that was used to inform items. The Feedback Tracker will be updated at a regular interval to include recent meetings. The current version that is posted online includes feedback through June, the next iteration will be updated through November.

## Community Benefit Indicators (CBIs)

Pacific Power's Laura James discussed the process to continue to build upon the interim CBIs, which included detailed collaboration with the Community Benefit Impacts Advisory Group (CBIAG). The discussions from the CBIAG allowed Pacific Power to take the input, depicted below, and map these to the CBI framework to identify gaps in the current CBIs that could be addressed by the utility.



This exercise resulted in two additional CBIs that were drafted and proposed to the CBIAG.

1. Increase Efficiency of Housing and Small Businesses in Disadvantaged Areas (Energy Equity)
2. Reduce Barriers for Disadvantaged Communities for Company Program Participation (Economic)

## Errata

Pacific Power's Rohini Ghosh shared that an Errata was filed with the commission in October. An Errata is a document that provides corrections. The one filed by Pacific Power in October addressed the correction for values that was caused by an error in linking the data, which impacted the calculation of the Present Value Revenue Requirement (PVRR) for Pathways 1 and 2. The methodology and assumptions were not changed or altered, as this only corrected an issue that was identified in the manual processing of the data.

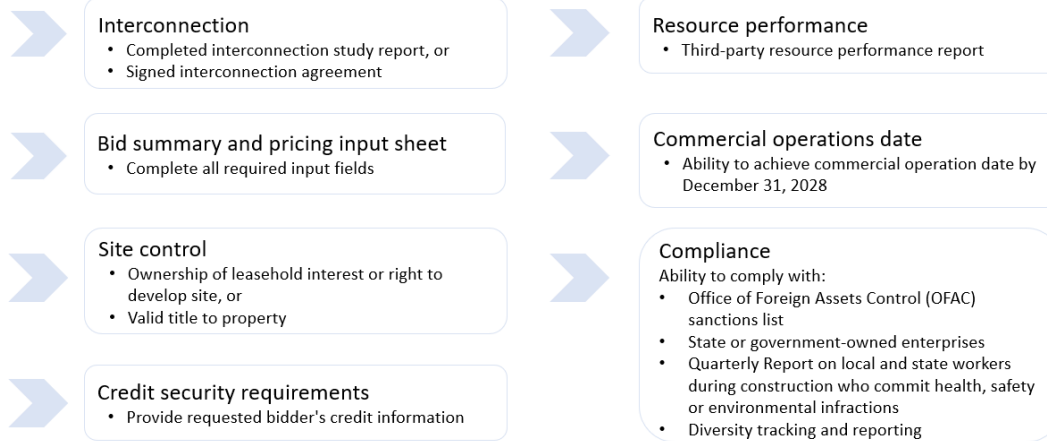
The updated versions may be found on the website <https://www.pacificorp.com/energy/oregon-clean-energy-plan.html>.

## Small-Scale Renewable (SSR) Procurement

Pacific Power's Melanie Cunningham opened with an overview of what was presented at the August CEP Engagement Series to ensure the participants were up to date on information shared. Included in this is the minimum eligibility to bid, shown below.

## Key Minimum Eligibility to Bid

## Minimum Criteria



One of the requirements is completion of an interconnection study or signed interconnection agreement, which is a current study that reflects the project bid being submitted. If all of these are included, then the bid would be considered 'compliant'.

### Questions & Comments:

- Silvia Tanner (MultCo Sustainability) asked about the interconnection study aspect, specifically how many projects are anticipated to meet the interconnection requirements? (Referencing concerns heard from Community Solar around delays and knowledge of those who Pacific Power may already know are not eligible, transmission wise)
  - Pacific Power's Paul Johnson clarified that the intent, in targeting the first half of 2024, is overcoming obstacles that were heard from the developers. The goal is to have as robust response as possible, while also ensuring the resources are online by the required date.
- Silvia Tanner (MultCo Sustainability) asked when interested parties would need to have this completed, considering the completed report or signed agreement aspect of the eligibility.
  - Pacific Power's Paul Johnson responded that the details and schedule will be refined over the next couple months, with this input considered.
- JP Batmale echoed previous comments of appreciation for offering this space and that it would be helpful to have a deeper dive on the interconnection topics, especially where things currently stand and the hurdles that are consistently being faced in similar projects.
- Pacific Power's Thomas Burns explained the compliance obligation piece of this, and that projects will be developed as a backstop. It is preferable to have PPAs in place for these type of projects because of how labor intensive it is. The primary objective is to lean into feedback from these spaces, as well as with developers, to gauge interest and prepare for the RFP.

- Caroline Cilek (Green Energy Institute) asked about the RFP process and if the company is open to discussion with the developers who are interested in submitting specifically around the interconnection process piece and the hurdles that may exist?
  - Pacific Power's Thomas Burns shared that it can be a sensitive process because of the competitive bidding nature and that in the RFP process there are no communications with the bidders until after a decision is made. This helps ensure a fairer process and eliminates biases – relating it to a father coaching the team of a son or daughter. Pacific Power does, however, provide guidelines and resources that are available to everybody.

***Chat Questions & Comments:***

- Tim Lynch (MultCo): 'Sorry for my ignorance, but how long does an interconnection study report typically take? And general sense of cost to complete that study? Trying to understand how feasible it is for community focused developers who are just starting out to be participants in this RFP, or the next iteration.'
  - Pacific Power's Thomas Burns explained that the answer, unfortunately, is 'it depends'. This particular circumstance wasn't anticipated in designing the open access tariff. Generally, there is a submission to the cluster study process in early spring followed by the cluster study results being released back in late fall. There are some caveats that Pacific Power is working to decipher and provide as a resource, where possible.
- Sherrie Villmark (Community Energy Project): 'I don't think anybody would object to the same support for everybody, but it seems that with long interconnection queues that more support is needed. You also have a CBIAG you could probably work with to discuss equitable and fair access to interconnection. With this level of expansion, status quo may not get us where we need to go!'
- Kate Ayres: 'This may be more directed towards PUC Staff along with PAC, but the addition of the Clean Energy Plan changes our traditional planning processes a bit, would this open up the opportunity to change the traditional RFP process? Is there a way to shape the RFP process around small-scale projects to work better for non-traditional bidders like the community bidders that Tim mentions in his question.'
- Matt Hutchinson: 'Will their benchmark bids submitted into the RFP?'
  - Pacific Power's Thomas Burns jumped back in to touch on the benchmark bids that is what was referred to earlier regarding Pacific Power submitting sufficient resource bids to make sure compliance is met and avoid being the supplier of last resort. It would be preferable to produce enough interest in this so that Pacific Power doesn't have to have any bids elected.
  - Pacific Power's Paul Johnson added that Pacific Power plans on holding a workshop prior to the issuance of the RFP. The workshop will go over what is required in the bid submittal and answer questions that may arise.
- Brian Walsh: 'The latest IRP mentioned that PAC believed that OR SSR projects or a large % of project would be from OR. (paraphrasing) What is this based on and will OR projects be weighted/scored differently?'
  - Pacific Power's Thomas Burns answered that from the IRP perspective, Pacific Power weighted those to favor a selection in Oregon. This explains why a lot of the 'proxy' resources would be built in Oregon; however, it is yet to be determined just how much.

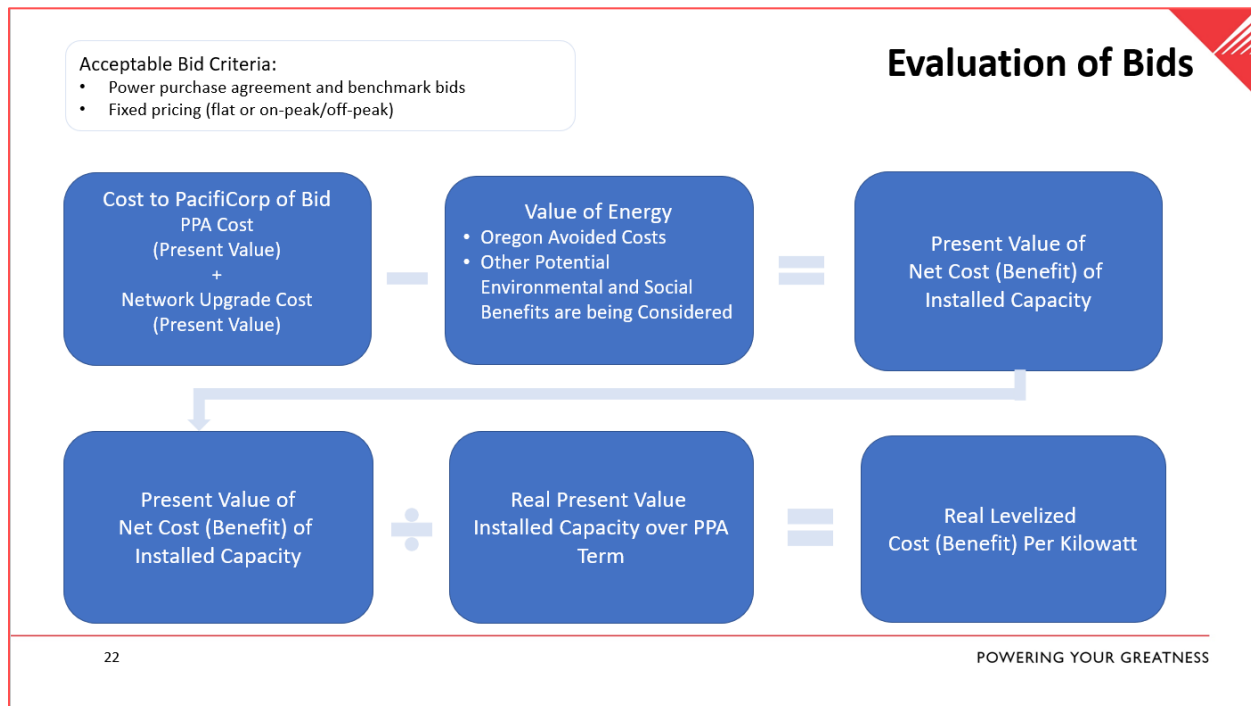
This is an Oregon law, and passed and paid for by Oregon taxpayers, which Pacific Power wants to be conscious of.

- JP Batmale added appreciation for Pacific Powers thoughts and approach on this. There are things that can be done and offered PUC assistance in helping to create the space for this dialogue.
- Pacific Power’s Ron Scheirer reemphasized that this RFP, like any, will be issued in the marketplace and will have active workshop opportunities. Outreach efforts, like the one today, are a crucial part of pulling this off successfully. This is especially true because the RFP targets a different type of developer (not utility scale), and any assistance in spreading the word and mustering up interest is greatly appreciated by Pacific Power.

**Questions and Comments:**

- Tim Lynch (MultCo) noted on the complexity of these projects and encourages working with advocacy groups to identify and overcome the obstacles, which could help with smaller developers in this space. Pacific Power mentioning the possibility of an alternative pathway for these smaller developers, for example, is great.

Pacific Power’s Mark Paul continued the presentation on how the RFP will be evaluated. The objective is to meet the compliance requirement at the lowest cost and will also include the cost to hook up to the Pacific Power system. The value of the energy will be equal to the avoided cost in Oregon, and Pacific Power is also looking at other credits to add including greenhouse gas emissions, those located in Oregon, and other benefits.



Pacific Power’s Ron Schrier pointed out that a key difference between this type of bid and the more ‘typical’ bid. Due to rules and guidelines, in other RFPs (e.g., QFs or community solar) Pacific Power

stipulates a price it is willing to buy at. Conversely, in this RFP, bidders will have to state the price that the power will be provided that, which is more complicated to discern costs.

Pacific Power's Matt McVee circled back to a previous idea raised around assistance on criteria of evaluation, mentioning that establishing specific criteria for the evaluation based on a sample size of bidders gives some pause. Pacific Power wants to do this very thoughtfully to ensure the criterion is developed by being forward looking and hopes to create a shared understanding.

**Questions and Comments:**

- JP Batmale agreed and noted that there are things that could be done, for example having a space to talk about what non-cost criteria could look like and where there is space in Oregon (referencing a previous comment by Silvia Tanner). Understanding of the constraints that Pacific Power is under was voiced.

Pacific Power's Melanie Cunningham continued by walking through some of the key terms of the Power Purchase Agreement (PPA), including:

- Credit Requirements: Letter of credit or parental guarantee will be required if selected bidder does not meet PacifiCorp credit requirements
- Seller Security: Seller security is required to support:
  - Delay damages for failure to reach commercial operation date (COD)
  - Default damages for post COD
- Commercial Operation Date Delay: Seller will be provided up to 365 days to cure a delay in scheduled commercial operation date; delay damages will be assessed.
- Post-Execution Condition Precedent: PacifiCorp's ability to obtain designated network resource transmission service at no additional cost.
- Annual Performance Guarantee: Annual resource mechanical availability guarantee and threshold percentage

**Chat Comments and Questions:**

- Silvia Tanner (MultCo Sustainability): 'I have a question on the prior slide: The presenter mentioned a project labor agreement as an example of the type of social benefits that you would factor when looking at the value of energy. Can you please offer other examples of social benefits you are currently considering, or open to considering, when assessing the value of energy? Have you considered factoring community benefit agreements?'
  - Pacific Power's Ron Schrier responded that several things are under consideration currently, which aren't presentation ready quite yet because it hasn't been locked down yet. These will be presented at workshops and shared before the RFP, though.

**Comments and Questions:**

- Silvia Tanner (MultCo Sustainability) followed up by asking if the utility would be willing to work with the stakeholders that are able to commit to not being a bidder? Speaking frankly, and as the advocates comments reflect, it would be ideal to have these (SSR and CBREs) dovetail to consider CBIs. Additionally, overall company plans and enthusiasm around these types of projects could be stronger.

- (Via Chat) Matt McVee: ‘Silvia - happy to talk more about this. Understand that we need to figure out some processes on CBREs.’
- Pacific Power’s Matt McVee explained that these must be justifiable, so as not to restrict the market which has FERC consequences. Pacific Power is open to the discussion, noting those federal jurisdiction limitations and considerations.
- Sherrie Villmark (Community Energy Project) asked if Pacific Power ever identifies where solar would be strategic or desirable from the utility side? In thinking about other active discussions (grid resilience, etc.) and how to make ‘win-win’ scenarios, are there places that make interconnection easier? Currently, there is a feeling that developers don’t necessarily base projects based on grid needs but rather where legal permissions are easier.
  - Pacific Power’s Thomas Burns shared that generally speaking, developers know where the valuable spots are and will charge for that value. Additionally, because of the impartiality issues, Pacific Power must be careful of the information shared on the transmission system.
- Sherrie Villmark (Community Energy Project) noted the previous discussions had with Pacific Power, but more so with PGE, and clarified that it is largely due to the cost increases with the information (and therefore customers/taxpayers). Sherrie highlighted the opportunity to place resource in the best and right location would be a benefit for all
  - Pacific Power’s Ron Scheirer shared some background on transmission planning and how dynamic it is. There are also a lot of FERC regulations that must be very conscious of, exemplifying that it isn’t even shared within Pacific Power.
  - Pacific Power’s Thomas Burns added that these places that are ‘valuable’ are largely being reserved for larger resource, not a 20-megawatt resource.
  - Pacific Power’s Ron Scheirer emphasized that this shouldn’t scare anybody on the viability of these SSRs. A lot of time because of those larger activities these types of projects can slide in, but identifying where those best places would require a study.

## Community-Based Renewable Energy (CBRE)

Pacific Power’s Ryan Harvey started by distinguishing CBREs from SSRs

Community-based Renewable Energy	Small-scale Renewable Energy Projects
Program	Product (quantity of energy from project)
Not limited by size	20 megawatts or smaller
Oregon	PacifiCorp’s six state system
One or more renewable energy systems with microgrids, storage systems or demand response measures, or energy-related infrastructure that promotes climate resiliency or other such measures	Eligible technologies defined by law (ORS 469A.025); does not include energy storage projects
Interconnect to utility distribution or transmission assets. May also reside “behind” customer’s side of meter	Interconnect to utility distribution or transmission assets. Not “behind-the-meter”
Provide direct benefit to a single or group of customers; be owned by a local government, non-profit or tribe; or results in increased resiliency, community stability, local jobs,	Small-scale energy generated on behalf of all Pacific Power Oregon customers

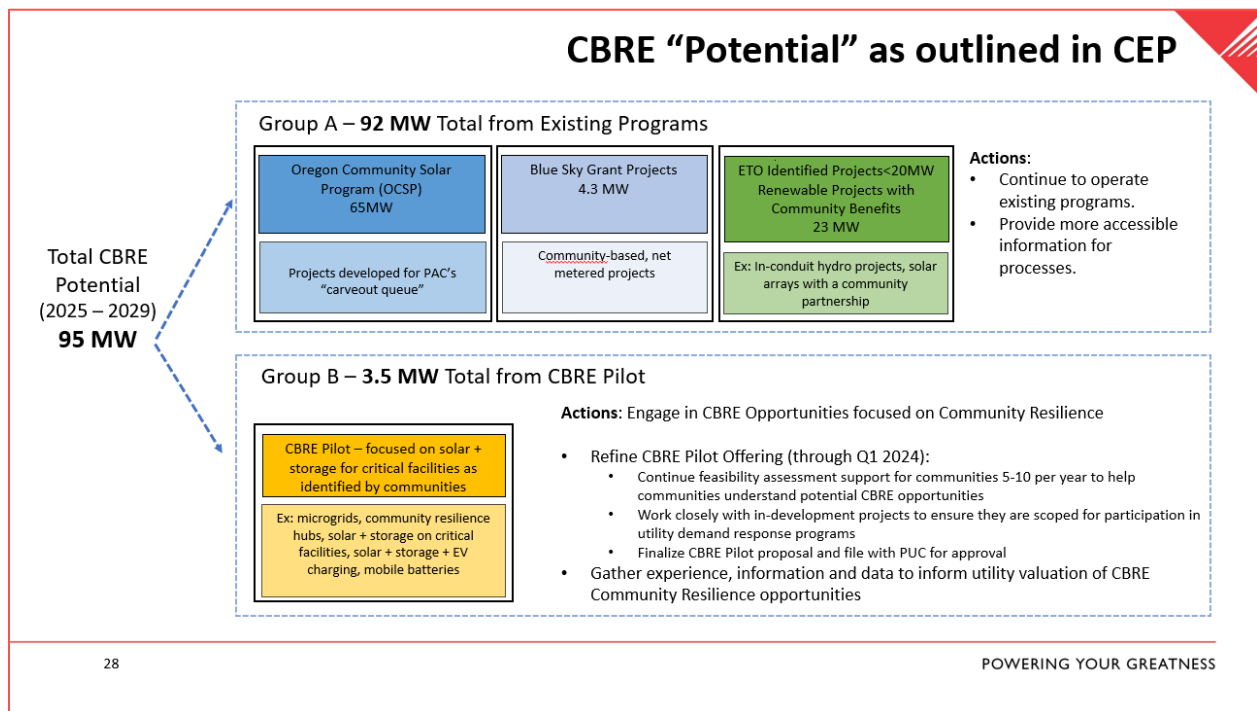


economic development or direct energy cost savings to families and small businesses	
Utility required to study as part of Clean Energy Plan; grant/funding opportunities available	Amount of project capacity required by law

In the last few months, Pacific Power has been working to advance the following four components:

- Continued Assessment of Needs and Opportunities (Expand the CBRE Potential Study)
  - Continue to advance CBRE initiatives through community input and engagement groups
  - Survey communities to further assess interest in CBRE projects and initiatives
  - Update CBRE Action Plan based on continued learnings
- Develop straw proposal for expansion of the Community Resilience Battery Storage Pilot focused on community resilience hubs
- Explore opportunities to leverage public funding to advance CBRE opportunities
- Build tools and awareness to assist communities and stakeholders in connecting to CBRE processes, initiatives, and programs as they develop

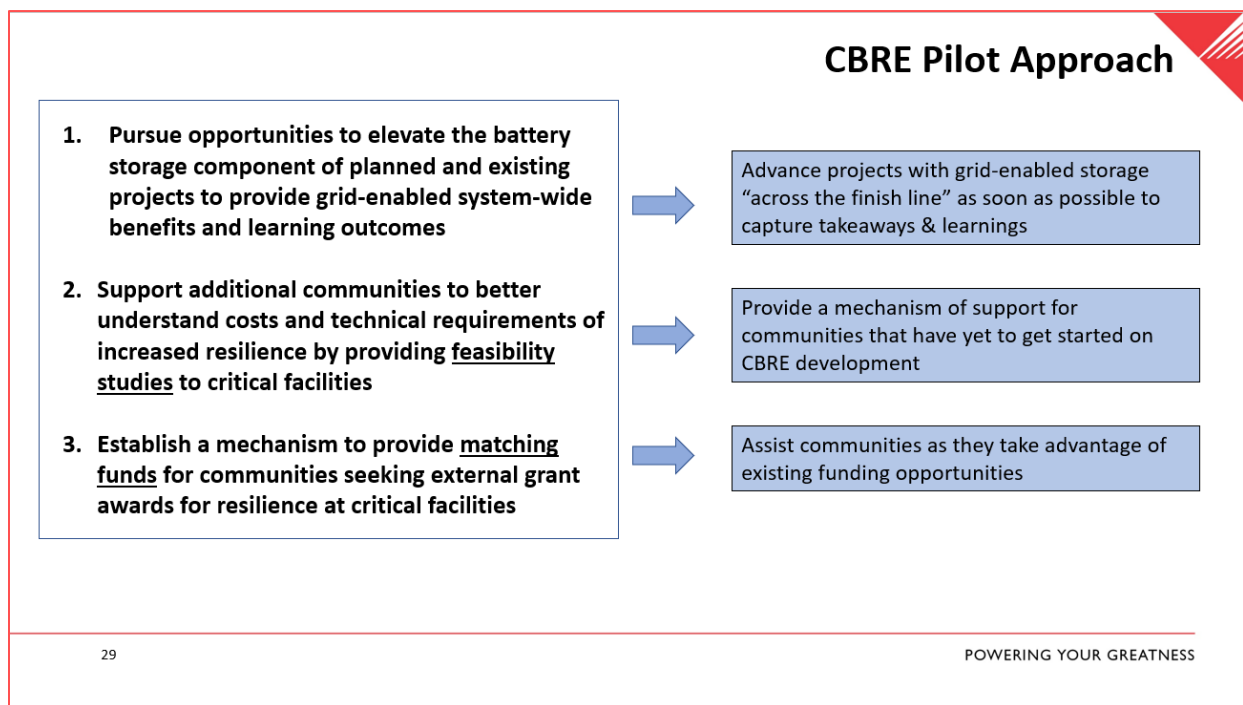
To provide a sense of scale, out of the 95MW almost all (92 MW) came from existing processes and programs. The new work is focused on community resilience and is outlined on the bottom of the slide. It explains that the Company anticipated the potential for 3.5 MW total from CBRE Pilot activities focused on community resilience hubs.



This is an exciting space to be in because of the growth, and Pacific Power has received support that is exciting. At the time of filing the CEP, there were 2 CBRE projects in the service territory that received a planning grant from the ODOE – now there are twenty-six!

Pacific Power wants to assist in other ways than direct funding, as a utility Pacific Power can provide system wide benefits to ALL of the Oregon service territory. For example, collaborating with projects to get connected in a way that will benefit and inform a future demand response program (batteries). The incentives that would come from those could be used to fund communities and the overall system, which could essentially double the benefits.

Continuing on, Ryan Harvey shared the proposed CBRE Pilot approach, depicted below.



Further, Ryan Harvey walked through the intended pilot outcome, high-level framework, and potential funding.

**Intended Pilot Outcomes:**

- Achieve articulated learning goals outlined in original, battery-focused Grant Pilot
- Support for communities as they develop CBRE project and/or pursue other grant funding opportunities
- Alignment with other efforts underway to advance community resilience projects (C-REP grants, recent legislation)
- Focus on grid-connected storage for DR/grid support and “case study” learnings (How can it be utilized to support Grid Ops? What value does it have?)

**High-level Framework:**

- Three Components to the CBRE Grant Pilot structure:
  - Support “in-flight” projects/programs to ensure grid-enabled system benefits and learning outcomes
  - Provide technical feasibility studies for communities to learn more/seek external grant awards
  - Create a mechanism to provide grant matching for communities seeking external awards
- Leave open the possibility of also funding projects with “traditional” grant awards in the future
- Continue focus on community resilience (resilience hubs) opportunities in vulnerable communities at critical facilities
- Anticipate community support with technical feasibility studies (5-10 assessments/year)
- Continue to use third-party vendor to support technical assessments and application review

**Potential Funding for Pilot Funding:**

- Approximately \$800K still available from current Battery Storage Grant Pilot
- Potential request of additional \$1-\$2M for project advancement: battery storage system additions and upgrades, grant matching, possible future direct awards
- Anticipated 5-10 feasibility studies annually for up to 4 years: est. \$300-\$600K

Pacific Power’s Ryan Harvey concluded with what can be expected moving forward, including asking stakeholders for continued input and participation in early 2024 on this CBRE Pilot.

**Questions and Comments:**

- Silvia Tanner (MultCo Sustainability) noted that it would be helpful to see a ‘strengthening’ of the CBRE approach, including the grant pilot, so that community needs may be more urgently addressed. Seeing more muscle behind this would be great, as an event has different consequences for different customers. The difference between PGE’s approach to CBREs was brought up and a suggestion to look deeper at if Pacific Power can fulfil some of the SSR requirements with CBREs to better support some of the communities served.
  - Pacific Power’s Ryan Harvey said that this is fantastic feedback and offered to meet to further discuss these ideas.

**Chat Questions and Comments:**

- Brian Walsh: ‘Thanks Tom, Ron and Matt for your comments and responses. Acknowledging the need to meet PAC’s compliance requirements, I couldn’t agree more that SSR projects mandated by OR legislation and paid by OR rate payers to bring community benefits to OR communities, should be meet by projects located in OR. It would appreciate the opportunity to participate in any discussions on non-price scoring criteria. I have to drop to another meeting but thank you for your time today.’

**Public Comment**

There was no public comment.

## Next Steps

Before concluding the meeting, Stephanie Meeks shared interest in continuing this engagement into 2024. The dialogue on the call was robust and is the driver of offering this opportunity to interested parties to dive deeper into these complex topics. In thinking of the next year, Pacific Power created the [2024 CEP Engagement Survey](#) to inform where time should be spent. Survey: <https://forms.office.com/r/OV4rFjy3Pr>

Stephanie Meeks closed out the meeting with next steps, and invited further feedback, commentary, and questions to be sent to [oregonCEP@pacificorp.com](mailto:oregonCEP@pacificorp.com).

As a reminder, the meeting was recorded and will be posted in the coming days.