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Oregon Public Utility Commission
201 High Street SE, Suite 100
Salem, OR 97301-3398

October 28, 2020

Dear Chair Decker, Commissioner Tawney and Commissioner Thompson:

Pacific Ocean Energy Trust (POET) submits these comments regarding the Public Utility Commission's (PUC) October 6th Climate Executive Order Work Plans.

Committed to the responsible development of marine renewable energy in the Pacific Region, POET looks forward to working with the Commission to update, streamline and integrate processes and metrics under the PUC's authority. Floating Offshore Wind (OSW) offers Oregon the opportunity to relieve existing transmission power flow constraints, diversify and strengthen the state's coastal frontline community economies, and make significant contributions to robust state and regional clean energy portfolios.

Together with our OSW industry advisors, we are poised to collaborate for rapid reductions in our state's greenhouse gas emissions in ways that prioritize frontline communities, recognize and reflect the values of energy security and decarbonization, and support a competitive, transparent energy market to economically and equitably serve stakeholder needs.

We applaud the PUC staff's comprehensive efforts developing the draft work plan; we also appreciate staff's strategy to prioritize actions facing the least amount of stakeholder conflict in order to expedite progress toward meeting our state's greenhouse gas emissions reduction goals.

In this same spirit, we urge you to further economize and streamline the PUC's rapid (yet responsible) response by seizing opportunities to leverage:

- existing processes for private and public investment in clean energy solutions,
- external intellectual resources, and
- collaborate with or participate in relevant agency and planning organization proceedings.

Accordingly, we encourage open communications among the various stakeholders and offer the following suggestions within each section of the proposed work plan's 12-24 month timeframe.

Utility Planning

- Expedite and improve transparency through collaboration with other agencies, national labs, and regional organizations to develop consistent, non-biased resource and transmission planning valuation methodologies. This approach supports the development of longer planning horizons supported by scenario-based pathways from which stakeholders can make informed procurement and investment decisions. Most immediately, provide support, resources, input and/or direct advisement of methodology development for proposed efforts in:
    - Applying the Societal Costs of Carbon & Resilience Valuation;
    - Development of Locational Valuation methodology;
    - Evaluation of Capacity Contributions; and
    - Regional Transmission Planning Scenario Development.
- Develop consistent metrics, methods, and processes across IOUs and, where appropriate, in accord with regional authorities and planning organizations for expeditious sharing of common information, provisions of certainty into the regional market, and informed, transparent planning from distribution level to regional resource adequacy scale.
- Align PUC efforts to leverage external proceedings for the timely, informed, and collaborative updates to metrics and methods. In particular, the existing scope of OPUC's UM 2024 Direct Access, as well as the potential for expansion into Resource Adequacy considerations, is well timed to compliment regional RA proceedings at the NW Power Pool, articulate the financial impacts of externally owned resources on IOU's, and align Oregon's energy market for mutually beneficial participation in regional collaborations.
- IRP:
    - Schedule an OSW workshop early in the IRP docket as an illustrative example of third-party methodology development for locational and grid values, transmission assessments, and analysis of stacked capacity value contributions relative to Oregon and western grid synergies and projected shortfalls.
    - Include OSW as an emerging technology in IRP planning scenarios. OSW has been recognized by E3 in their work on the Oregon

Renewable Energy Siting Assessment as the predominant resource for one of four state energy portfolio scenarios meeting our state RPS goals and should be included in procurement and transmission planning proceedings.

- In addition to establishing well-defined carbon contributions, update and establish consistent metrics for all IOUs in regard to identifying capacity contributions so that they reflect best readily available data for renewables, storage, and emerging clean technologies. (The recent UM 2011 workshop exploring PacifiCorp's IRP solar and storage proxy revealed an urgent need to update this approach to accurately reflect the contributions of clean energy technology.)
- When assigning carbon contributions, include transmission losses, assessments of increased risk of wildfires caused by transmission systems, and avoided materials and resource costs associated with wires solutions.
- Integrate Transmission Planning into IRP procedures so they are mutually informative, rather than siloed.
- For transportation related load forecasting response in IRP, include hydrogen production as a scenario for decarbonization of the transportation sector while extracting, otherwise curtailed, value from renewable resources.

- DSP:
  - Integrate Transmission planning considerations into DSP procedures so they are mutually informative.
  - Prioritize data transparency and access from feeder to distribution levels to enable ease of collaboration with other stakeholders in defining equitable, economic solution sets.
  - Complement wire-based solution sets with a forward looking approach to anticipate and economize future grid needs with coordinated and synergistic investments.

<u>Utility Services and Activities</u>

- Prioritize updates to existing programs (with open dockets) that are poised for significant Non-IOU investments to support our state GHG goals such as:
  - Direct Access,
  - Community Solar, and

- PURPA/Interconnection.

Transportation Electrification (TE)

- Include hydrogen as a decarbonization scenario with stacked value as an extraction of otherwise curtailed clean, renewable resources.
- Match TE with RE: Transportation electrification should be matched with Oregon Renewable Energy capacity in order to avoid additional transmission impacts (including added carbon through transmission losses as well as increased risk of transmission related wildfire) to meet this growing load.

Impacted Communities

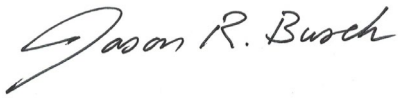
- Explore opportunities for funded collaboration (advocacy and outreach) with tribes, community energy organizations and other 3rd parties representing rate payers of disproportionately impacted communities.
- Support rural equity for energy security and economic benefit through distribution level reliability analysis and solution set design and procurement processes.

Wildfire Prevention and Mitigation

- Recognize and reflect the transmission contributions to wildfire risk in planning processes
- Include a locational value for societal benefit in the response to wildfires during safety shutoffs
- Include microgrid based energy security as a response and recovery mechanism for meeting distribution system level reliability metrics

We would like to thank you and your staff for the considerable efforts in furthering this transformative work, and we look forward to our continued engagement.

Respectfully



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