

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 85

In the Matter of

PACIFICORP, dba PACIFIC POWER,

2025 Integrated Resource Plan and Clean
Energy Plan.

RENEWABLE NORTHWEST
COMMENTS ON STAFF
REPORT

January 26, 2026

I. INTRODUCTION

Renewable Northwest (“RNW”) sincerely appreciates the diligent work from Commission Staff (“Staff”) in evaluating PacifiCorp’s 2025 Integrated Resource Plan (“IRP”) and Clean Energy Plan (“CEP”) and providing recommendations to the Oregon Public Utility Commission (“Commission”). Additionally, RNW thanks all stakeholders for their hard work in this process and thanks PacifiCorp for working with all parties, despite the clear shortfalls of this IRP and CEP. RNW strongly supports the primary conclusions of the Staff Report and appreciates the collaborative engagement between Staff and RNW on key issues of concern throughout the process. Staff’s recommendations address critical issues with the 2025 IRP while providing concrete approaches for the Commission to establish clear standards for PacifiCorp in resource procurement and planning going forward. RNW values the high degree of alignment between Staff’s analysis and the technical concerns elevated by RNW throughout this proceeding. RNW feels that the recommendations in the Staff Report provide a solid foundation for ensuring that PacifiCorp comes forth with a plan that meets the needs of its Oregon customers in a least cost, least risk manner in subsequent planning cycles, despite the demonstrable flaws presented in this IRP and CEP. RNW hopes and expects that PacifiCorp will come forward with future IRPs and CEPs that address Staff and stakeholders’ observations and comply with its statutory obligations.

Specifically, RNW supports Staff’s recommendations that the Commission:

1. Decline to acknowledge the IRP long-term strategy and the CEP (Recommendations 1 & 9);
2. Require more granular procurement planning through a Resource Acquisition Plan and HB 2021 execution strategy (Recommendations 2 & 10);
3. Increase transparency regarding the Boardman-to-Hemingway (“B2H”) project through quarterly reporting and decision-making analysis (Recommendations 4–6);
4. Correct the broken allocation logic by directing the Company to start with a system-wide reliability baseline (Recommendation 7); and
5. Incorporate a realistic level of large load growth in the reference case load forecast in the 2027 IRP (Recommendation 8).

While RNW is encouraged by these recommendations, we believe further Commission action may be necessary to ensure PacifiCorp remains on a viable path toward compliance with House Bill 2021 (“HB 2021”) and ensure reliability standards for Oregon customers. As discussed herein, the Commission can provide additional language in its final order that provides the Company with direction to ensure future plans do not suffer from the same shortcomings as those in this filing.

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II. DISCUSSION

RNW generally concurs with the analytical framework and oversight mechanisms proposed in the Staff Report, which represent a significant step toward ensuring PacifiCorp's planning processes are both transparent and technically sound. We deeply appreciate Staff's willingness to address the core modeling deficiencies and allocation issues identified by RNW throughout this docket. However, while we are overall supportive and appreciative of Staff's position, we believe certain refinements will provide safeguards to ensure that PacifiCorp meets its HB 2021 compliance targets in a manner that minimizes the cost and risk placed on Oregon customers.

A. Strengthening Procurement Requirements (Recommendations 2 & 10)

Staff's recommendations for a "resource acquisition plan" and an HB 2021 "execution strategy" are positive steps toward holding PacifiCorp accountable. However, RNW continues to believe that a planning requirement alone may be insufficient given the Company's history of procurement delays and cancellations.

The Commission should consider clarifying that it will direct PacifiCorp to procure resources to meet both regional reliability and HB 2021's needs if PacifiCorp does not do so voluntarily as a result of the procurement strategy indicated in the IRP. Ordering PacifiCorp to procure amounts necessary to ensure reliability and meet HB 2021's binding mandates, if necessary, would with the Commission's determination that it has "the power to direct procurement as 'necessary and convenient in the exercise of [[its]] power and jurisdiction' and to 'enforce all laws of this state relating to public utilities.'"¹ As RNW has noted in previous comments, the Company faces a steep procurement trajectory to meet its 2030 targets. PacifiCorp's history of deferring procurement may justify the use of the reasonable safeguard of a procurement order to limit risks to Oregon ratepayers.

Pursuant to Order No. 25-098, the Commission has the authority to direct procurement in additional proceedings outside the IRP/CEP to ensure HB 2021's mandates are met. RNW recognizes that this may require opening a contested case and asks that the Commission send a clear in the final order in this proceeding that it may take that step here if necessary. Sending that signal now is necessary because it is already January 2026 and PacifiCorp has a substantial resource need by 2030. The Final Shortlist for PacifiCorp's 2025 Oregon Situs RFP is expected in April 2026. If that Final Shortlist does not indicate sufficient resources to meet Oregon's reliability and policy needs, the Commission will need to run an accelerated contested case process to have any meaningful chance of bringing resources online in time to meet the company's 2030 needs.

¹ *In re PacifiCorp, dba Pacific Power; Continual Progress Towards House Bill 2021*, OPUC Docket No. UM 2345, Order No. 25-098 at 8 (Mar. 12, 2025).

At a minimum, the Commission can be clear in its Order that additional proceedings will be initiated if PacifiCorp's Final Shortlist represents under-procurement relative to demonstrated need, following the logic the Commission used in Order No. 25-098.²

RNW does not recommend a specific level of procurement at this time for two reasons. First, as noted above, the results of PacifiCorp's 2025 Oregon Situs RFP are not yet known. Second, as discussed in RNW's previous comments, the scale of PacifiCorp's reliability need is also uncertain. Accordingly, we recommend the Commission implement Recommendation 7 – the recommendation that the Commission direct additional reliability modeling – by directing additional modeling in time to provide indicative results aligned with the mid-April release of PacifiCorp's 2025 Oregon Situs RFP Final Shortlist. The combination of this reliability modeling and the Final Shortlist will make clear whether PacifiCorp still has a substantial 2030 need and, if so, what the scale of that need is.

This additional reliability modeling is an important step. In these comments, RNW takes no position regarding whether the Commission should issue a finding of no continual progress, which would be a natural precursor step to an eventual procurement order. However, as we argued in our Round 2 comments, some of PacifiCorp's Oregon procurement needs are reliability-driven, and HB 2021 limits the types of resources that can meet this need. As the Commission has determined, it has the power to direct procurement to “enforce *all* laws of this state relating to public utilities.”³ The requirements for electric utilities to “provide safe, reliable service to all retail electricity customers” under ORS 757.649(2) and to “furnish adequate and safe service” under ORS 757.020 fall within the scope of laws the Commission has the power to enforce to ensure reliability.

Determining the precise reliability procurement need for Oregon customers is only possible with a modeling exercise designed to isolate this need. Consequently, Recommendation 7, which directs PacifiCorp to run a model focused on system-wide reliability, is a critical part of the solution to this problem. Even absent a finding of no continual progress, and even if the Commission does not direct additional reliability modeling by April 2026, the Commission's obligation to “ensure that an electric company … is taking actions as soon as practicable that facilitate rapid reduction of greenhouse gas emissions at reasonable costs to retail electricity consumers” will likely justify a spinoff accelerated contested case docket if PacifiCorp under-

² *Id.* at 1. (“[W]e order PacifiCorp to show cause, should it fail to issue that RFP by that date or later decide to cancel it, why we should not (1) find the company out of compliance with House Bill (HB) 2021 's requirements to demonstrate continual progress and take actions as soon as practicable that facilitate rapid reduction of greenhouse gas emissions at reasonable costs to retail electricity consumers, and (2) direct it to take steps to remedy its noncompliance by issuing an RFP consistent with the Commission's RFP guidelines by June 1, 2025.”).

³ *Id.* at 8 (emphasis added).

procures.⁴ As RNW's Round I Comments found, PacifiCorp's clean-energy delays have already likely cost customers billions of dollars.⁵

If the Commission declines to signal that it may order procurement, we recommend that the Commission provide clarity on the extent to which PacifiCorp is at risk of future imprudence findings if they continue to delay procurement action. Even qualitative guidelines on procurement levels could help establish that PacifiCorp is not protected by the current IRP processes from legal or financial consequences if they eventually fail to meet reliability standards or HB 2021 goals. As discussed, at a minimum, the Commission can be clear in its Order that an accelerated contested case process will be initiated if PacifiCorp continues to under-procure, following the logic the Commission used in Order No. 25-098.⁶

B. B2H Inclusion and Economic Transparency (Recommendations 4–6)

RNW is highly supportive of Staff's recommendations to increase oversight of B2H and the status of BPA redirect rights necessary to complete the project as originally intended. However, RNW remains concerned that PacifiCorp is making long-term investment decisions based on the likely flawed assumption that B2H will be unavailable to serve Oregon retail load.

The removal of B2H, a project previously identified as having over \$1 billion in customer benefits and which has received considerable regulatory and ratepayer support over many years as a key element of PacifiCorp's resource plan, must be scrutinized. At a minimum, the Commission should direct PacifiCorp to release a detailed breakdown of a "B2H Inclusion Scenario" in the 2025 IRP Update and 2027 IRP. This analysis must demonstrate the specific cost impacts and the differences in investment decisions that result when B2H is utilized as a core system resource.

C. Continual Progress and Regulatory Accountability (Recommendation 13)

Staff recommends a finding of "continual progress" in this cycle, citing the issuance of the 2025 Request for Proposals ("RFP") as evidence of the Company acting on prior directions. RNW takes no position regarding this finding for the current window, but we emphasize that "continual progress" is an adaptable principle that will become increasingly stringent as 2030 approaches. PacifiCorp's "just-in-time" procurement strategy—targeting a massive decline in emissions only in 2030—places a high level of risk on a single procurement cycle. In sum, what constitutes continual progress in this procurement cycle does not necessarily mean that a similar procurement volume will constitute continual progress in the future. As we close in on HB

⁴ ORS 469A.415(6).

⁵ RNW Round I Comments at 21 (Jul. 29, 2025).

⁶ *Id.* at 1. ("[W]e order PacifiCorp to show cause, should it fail to issue that RFP by that date or later decide to cancel it, why we should not (1) find the company out of compliance with House Bill (HB) 2021's requirements to demonstrate continual progress and take actions as soon as practicable that facilitate rapid reduction of greenhouse gas emissions at reasonable costs to retail electricity consumers, and (2) direct it to take steps to remedy its noncompliance by issuing an RFP consistent with the Commission's RFP guidelines by June 1, 2025.").

2021's binding mandates, the utility will have to do more and more to demonstrate continual progress has been met.

To maintain the integrity of this standard, the Commission should clarify that current actions do not guarantee future continual progress findings. While the 2025 RFP is a necessary step, PacifiCorp is still significantly off pace for 2030 compliance. Considering the cancellation of the previous RFP, PacifiCorp's commitment to timely decarbonization remains under scrutiny. Regardless of a Commission determination on continual progress in this proceeding, the Commission should be clear in its order in this proceeding that future procurement must be made, or additional proceedings to potentially direct procurement may be initiated.

D. Reliability Modeling and Compliance Frameworks

The Commission should direct PacifiCorp to update its technical modeling to reflect its shifting reliability strategy. Previously, PacifiCorp used planning reserve margin ("PRM") and static qualifying contribution ("QCC") values for proxy resources based on the Western Resource Adequacy Program ("WRAP"). Because the Company's reliability framework was anchored in its WRAP participation, its recent decision to exit WRAP renders those modeling inputs and the associated compliance framework invalid.

In particular, RNW is concerned with recent statements from PacifiCorp regarding its intent to return to higher reliance on front office transactions following its exit from WRAP. WRAP implementation and broader regional dynamics may significantly reduce the availability of reliability capacity products in the western grid, elevating the risk of this strategy.

Exiting WRAP reinforces RNW's long-standing request for PacifiCorp to implement a dynamic Effective Load Carrying Capability ("ELCC") framework. A dynamic ELCC framework is essential to accurately capture the shifting capacity value of resources. Capturing this dynamic is particularly valuable if PacifiCorp no longer has prioritized access to pooled reliability resources offered by WRAP. Furthermore, PacifiCorp should be required to update the Commission and stakeholders on its evaluation of alternative reliability compliance frameworks, such as participation in the CAISO Extended Day-Ahead Market ("EDAM") resource adequacy program.

III. CONCLUSION

RNW appreciates Staff's alignment on the core deficiencies of the 2025 IRP and CEP. We urge the Commission to adopt Staff's recommendations as well as the additional safeguards and transparency measures contained herein. Finally, we recommend that, if the Commission comes to a finding of continual progress, such a finding should be made with the additional perspective that the Company's current trajectory, while momentarily compliant with the definition of progress, requires a significant and sustained increase in procurement velocity to remain so in future cycles.

Submitted this 26th day of January, 2026,

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