

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2383

In the Matter of

PACIFICORP dba PACIFIC POWER,

Application for Partial Waiver of OAR
Chapter 860-089, Request to Engage
Independent Evaluator, and Approval of 2025
Draft RFP [Expedited Request]

COMMENTS OF
RENEWABLE NORTHWEST

July 7, 2025

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I. INTRODUCTION

Renewable Northwest (“RNW”) thanks the Public Utility Commission of Oregon (“Commission”) for the opportunity to submit comments on PacifiCorp’s (PacifiCorp or “the Company”) draft 2025 Request for Proposals (“RFP”) and associated scoring and modeling methodology (“SMM”). This RFP represents a departure from PacifiCorp’s traditional, system-wide approach to procurement and instead seeks resources that will be situs-allocated to Oregon, in addition to including a new suite of RFP requirements. Given this novel approach and PacifiCorp’s original request for expedited approval, RNW appreciates the work of Staff and parties to establish a schedule that allows for more robust stakeholder input.

PacifiCorp filed its draft RFP on the heels of the Commission’s Order in UM 2345 and following the submission of its 2025 Integrated Resource Plan (“IRP”) in late March. The draft RFP seeks resources aligned with the 2025 IRP, which includes 1,570 megawatts (“MW”) of utility scale solar, 1,400 MW of utility scale wind, 320 MW of small scale solar, over 500 MW of 4-hr storage, and over 270 MW of 100-hr storage, all of which are specifically for Oregon. Resources sought in the RFP must be able to achieve commercial operations by the end of 2029. This RFP is paramount for both meeting Oregon’s energy policy mandates and ensuring we are doing so in the most cost-effective manner that minimizes cost and risk to customers, consistent with the Commission’s mandate to set just and reasonable rates.

In our comments below, we highlight several problematic aspects of the draft RFP, including the Oregon deliverability requirement, the requirement to have a completed facilities study, the requirement to have long term firm transmission (“LTF”) rights, and several RFP provisions related to battery energy storage systems (“BESS”). For each of these issues, we lay out recommendations that are designed to ensure a fair and competitive process that leads to the selection of least-cost, least-risk resources to serve Oregon customers and meet HB 2021’s 2030 emissions reduction mandate. RNW appreciates PacifiCorp’s and the Commission’s attention to these comments and looks forward to helping shape the RFP in a manner that furthers the public interest.

II. COMMENTS

A. The RFP’s Oregon Deliverability Requirement Should Be Removed

PacifiCorp has traditionally planned, procured, and operated as a single system across its six-state footprint. The Oregon-situs RFP marks a significant departure from the Company’s traditional approach by requiring resources to be deliverable to Oregon load. Aside from the recently filed Washington-situs RFP which mirrors the Oregon RFP, RNW is not aware of other

instances where PacifiCorp has required resources to be deliverable to a specific state. Instead, PacifiCorp's IRPs have identified system-wide resource needs which are then procured on a system-wide basis in an all-source RFP. The company has historically treated cost allocation separately than the actual flow of electrons on its system. That is, once resources are put into service, the costs of those resources are allocated based on a series of protocols adopted in PacifiCorp's the multi-state process ("MSP"), resulting in agreements between Oregon, California, Wyoming, Idaho, and Utah that govern how system costs are shared among the six states.¹ Typically, existing and new generation and transmission resources are treated as system resources and assigned to each state based on the state's use of PacifiCorp's system, measured through a System Generation (SG) or System Transmission (ST) factor.²

PacifiCorp has long planned and operated its system on an integrated basis. In fact, each iteration of the MSP has explicitly recognized that integrated planning and operations leads to a least cost, least risk portfolio for customers.³ This has always been the case since Pacific Power and Light merged with Utah Power and Light in 1987. PacifiCorp's customers across its six states have long enjoyed the economies of scale that come from unified planning and operations, and new resources have always been required to be deliverable to the six state system, rather than an individual jurisdiction. The 2020 Protocol—the current iteration of the MSP—was adopted as an interim measure so parties could work out a comprehensive cost allocation methodology. While the 2020 Protocol modified how costs would be shared among states, it did not fundamentally alter the company's commitment to system-wide planning and procurement. Indeed, the protocol states that "PacifiCorp will plan and acquire new Interim Period Resources on a system-wide risk adjusted, least cost-basis."⁴

¹ Washington has historically separately approved a different cost allocation methodology.

² See Order No. 20-024, Docket No. UM 1050 (Or. P.U.C. Jan. 23, 2020) (adoption of 2020 cost allocation protocol) <https://apps.puc.state.or.us/orders/2020ords/20-024.pdf>; PacifiCorp, Petition for Approval of the 2020 Interjurisdictional Allocation Protocol, Ex. PAC 101/Lockey/1 at 34, Docket No. UM 1050 (Or. P.U.C. Dec. 3, 2019) ("The costs associated with transmission assets, except as addressed in Section 6.1, will be dynamically allocated among States on the System Transmission ("ST") Factor, generally calculated based on a classification of costs as 75 percent Demand-Related and 25 percent Energy Related, and based on twelve monthly Coincident Peaks, using weather-normalized retail peak and energy data, as more thoroughly defined in Appendix C."). <https://edocs.puc.state.or.us/efdocs/HAA/um1050haa161935.pdf>.

³ Order No. 05-021, Docket No. UM 1050 (Or. P.U.C. Jan. 11, 2005) ("With adoption of the Revised Protocol, PacifiCorp agrees to continue planning and operating its generation and transmission system on an integrated basis to achieve a least cost/least risk resource portfolio for its customers.") <https://apps.puc.state.or.us/orders/2005ords/05-021.pdf>; PacifiCorp, Supplemental Application for Approval of the 2010 Protocol, Docket No. UM 1050 (Or. P.U.C. Sept. 15, 2010) ("PacifiCorp plans and operates its generation and transmission system on a six-state integrated basis that achieves a least cost-least risk resource portfolio for customers") <https://edocs.puc.state.or.us/efdocs/HAA/um1050haq1210.pdf>; Order No. 16-319, Docket No. UM 1050 (Or. P.U.C. Aug. 23, 2016) ("During the term of the 2017 Protocol, PacifiCorp commits that its generation and transmission system will continue to be planned and operated prudently on an integrated basis designed to achieve a least cost/least risk resource portfolio for PacifiCorp's customers") <https://edocs.puc.state.or.us/efdocs/HAA/um1050haa161935.pdf>; Order No. 20-024, *supra* note 2.

⁴ Petition for Approval of the 2020 Interjurisdictional Allocation Protocol, *supra* note 2, at 14.

Until PacifiCorp is operating under a new and approved MSP protocol—which it has indicated it will file with its various utility commissions by the end of the year—the company should not impose deliverability requirements that depart from its longstanding system wide approach to procurement. Indeed, there is no basis in past practice for it to do so. Instead, PacifiCorp should seek resources specifically for Oregon resource needs and designate the costs as situs-assigned to Oregon without enforcing an Oregon deliverability requirement on bidding projects. Under that prevailing methodology, bidders would need to demonstrate deliverability to any point on PacifiCorp’s system, not specifically to Oregon loads. This treatment is consistent with the 2020 Protocol in which parties agreed that the cost of three types of state resources - demand side management programs, portfolio standards, and state-specific initiatives - would be allocated on a situs basis to the jurisdiction adopting those programs or standards without imposing deliverability requirements.⁵

PacifiCorp’s proposed approach in this RFP breaks with precedent and significantly limits the bid pool. With the removal of the Boardman to Hemingway (“B2H”) transmission line from the IRP preferred portfolio and its resulting unavailability in the RFP, the Oregon deliverability requirement functionally renders most, if not all projects in PacifiCorp’s east balancing authority (“PACE”) ineligible. That removes a significant portion of the bid pool since 66% of projects in PacifiCorp’s interconnection queue are located in PACE, as of April 2025.⁶

Additionally, some of PacifiCorp’s RFP procurement targets may be impossible to meet if the Oregon deliverability requirement is enforced. The majority of resources in PacifiCorp’s interconnection queue within each renewable and storage category are located in PACE. Specifically, 83% of wind projects, 65% of solar and storage projects, 63% of BESS projects, and 57% of solar projects are located in PACE.⁷ Further, if the requirement for a completed facilities study or interconnection agreement is layered on, all wind projects are rendered ineligible from bidding into the RFP.

It is our understanding that removing the Oregon deliverability requirement would also render the transmission consulting agreement studies unnecessary, since their purpose is to assess deliverability to Oregon loads. Eliminating the transmission studies could shorten the RFP process considerably, as those studies currently take roughly seven months to complete. While PacifiCorp will still need time to evaluate bids, shaving a few months off the back end of the schedule would mean that PacifiCorp can start negotiations with developers earlier. As a result, some developers may be able to qualify for clean energy tax credits that they would otherwise have been ineligible for due to recent policy changes at the federal level.

⁵ Order No. 20-024, *supra* note 2, App. B at 3

⁶ PacifiCorp, OASIS Open Access Same-Time Information System, <http://www.oasis.oati.com/ppw/> (last visited July 3, 2025) [hereinafter PacifiCorp OASIS].

⁷ *Id.*

In all, removing the Oregon deliverability requirement will maintain consistency with PacifiCorp's MSP, expand the bid pool, shorten the RFP process, and likely lead to lower cost resources and lower costs for customers through increased competition and the potential to recapture tax credits.

RNW has heard and understands PacifiCorp's arguments around the Oregon deliverability requirement that it made at the July 1, 2025 workshop in this matter. Namely, the Company argued that allowing deliverability to its six-state system has the potential to increase costs for customers and create a steeper ramp to HB 2021 compliance because it would require PacifiCorp to procure front office transactions ("FOTs") to serve Oregon to make up for an RFP resource that does not physically connect to Oregon's system.

While these arguments make sense from an academic perspective, PacifiCorp has not met its burden to conclusively demonstrate that departing from its longstanding procurement practice is in the interest of Oregon customers. PacifiCorp has not attempted to quantify the cost impact or volume of FOTs that would be necessary to reliably serve Oregon load, nor has it identified the portion of energy and capacity sought in this RFP that are needed to ensure reliability in Oregon versus that which is necessary to make progress towards HB 2021. In order to assess whether such a drastic departure from long standing practice is warranted, RNW requests that the Company address these issues in its forthcoming comments in this matter. Specifically, PacifiCorp should (1) estimate the volume and cost of FOTs that it believes will be necessary after this RFP, and (2) estimate the overall cost impacts to Oregon customers if the deliverability requirement is retained (in one case) and removed (in another case).

RNW recognizes that this level of analytical rigor has typically been more appropriately addressed in the IRP context. RNW is open to exploring this issue in the ongoing IRP, but believes that the Oregon deliverability requirement should be removed unless and until PacifiCorp can meet its burden to demonstrate it is warranted. RNW notes that these issues could have been addressed previously—or in its initial IRP filing—had PacifiCorp not cancelled its previous RFP. A more proactive approach could have assessed varied options for ensuring connectivity between the east and west sides of its system beyond what Boardman to Hemingway promised to provide. However, given that we cannot change the past, it is essential now that the Company, stakeholders, and the Commission make reasoned decisions based on concrete evidence that are in the best interest of Oregon customers. Until the Company provides sufficient compelling evidence and rationale for its proposal to impose an Oregon deliverability requirement in this RFP, this provision should be removed.

For the reasons above, absent an affirmative showing from PacifiCorp that its proposal is in the public interest, RNW recommends that PacifiCorp remove or the Commission direct PacifiCorp to remove the Oregon deliverability requirement, while continuing to assign the costs

of resulting resources to Oregon customers. If the Company is unable to affirmatively justify the Oregon deliverability requirement in this RFP, the Commission should remove the requirement and direct the Company to justify its approach should it seek to impose a similar requirement in future RFPs.

B. PacifiCorp Should Run A Second Round of Procurement

The draft RFP requires bidders to demonstrate the ability of bidding projects to interconnect to a transmission system through a completed interconnection study (system impact or facilities study) or a signed interconnection agreement. This requirement significantly limits the bid pool. PacifiCorp had 708 projects in its interconnection queue as of April 2025. Three hundred and twenty four projects are designated as “complete,” “in progress,” or “executed GIA” and thus would be eligible for the RFP. Of those 324 eligible projects, only 109, or 34%, have a completed facilities study. When you layer on the Oregon deliverability requirement and remove projects in PACE, that brings the total eligible projects down to 46, or 6.5% of the total queue. On a megawatt basis, only 5,596 MWs of PacifiCorp's 130,588 MW interconnection queue are currently eligible for the 2025 RFP, which represents just 4.3% of the queue. Such a drastic reduction is likely to lead to increased cost and risk for Oregon customers.

Many more projects and MWs would have been eligible for the 2025 RFP if not for the delay in processing generation interconnection cluster studies. For example, projects in the 2024 cluster study would have been eligible for the RFP by December of 2024. If subject to a restudy, those projects would have been eligible 150 days later in May of 2025. PacifiCorp, like many other utilities, is dealing with interconnection queue backlogs that can delay the processing of new projects. However, PacifiCorp should not penalize bidders that submitted queue requests expecting to bid into an RFP that they estimated would follow shortly after the IRP release.

Because the requirement to have a completed interconnection study or agreement, coupled with the interconnection processing delay, has limited the bid pool considerably, RNW recommends that PacifiCorp run a second phase of RFP next spring, once the next cluster study results are available. With the Federal Energy Regulatory Commission's (“FERC”) approval of PacifiCorp's Order 2023 compliance filing, PacifiCorp plans to run a transition cluster study for projects that were assigned a queue position by June 14, 2024.⁸ Results of this transition cluster are expected to be available by March of 2026. Assuming that any project without a completed facilities study that was assigned a queue position before June 14, 2024 will be included in the transition cluster, we can expect significantly more projects and MWs to be eligible for a similarly-designed second round of procurement by March 2026. Specifically, we expect that 311 projects totalling 58 GW would be eligible for a second phase, compared to the 46 projects totalling 5.6 GW that are currently eligible.

⁸ PacifiCorp OASIS, *supra* note 6.

There is recent precedent for a phased procurement approach at the Oregon Commission. In Idaho Power Company’s (“IPC”) 2028 RFP, the company proposed a multi-phase RFP structure staggered over multiple years.⁹ Eligible bids were divided into separate groups based on interconnection readiness and commercial operation dates (“COD”).¹⁰ First, Group 1— for bids with established interconnection and COD by April 1, 2028—would be evaluated in the first year. Then Group 2—for bids with interconnection but a later COD—and an additional pool—for projects lacking interconnection and with CODs in 2029 or beyond—would be evaluated in the subsequent three years.¹¹ Staff highlighted the advantages of this phased design: it keeps pathways open for long-lead projects without delaying procurement, integrates stakeholder feedback, and mitigates utility bias toward near-term bids.¹² The Commission endorsed this multi-phase approach on July 29, 2024.¹³

In addition to IPC’s 2028 RFP, the Commission approved Portland General Electric’s (“PGE”) 2023 RFP on the condition that the company immediately initiate another RFP that allowed for more energy resource bids without firm transmission to PGE’s system and that had CODs up to 2030.¹⁴ Both the Commission and Staff noted that PGE’s original single-phase RFP impermissibly limited the bid pool, especially for non-emitting energy projects.¹⁵ In both instances, the Commission, Staff, and stakeholders agreed that a multi-phase RFP framework provides a more realistic pathway to meeting long-term planning goals, accommodating uncertainty, meeting state policy goals, and ensuring least-cost, least-risk outcomes.

Utilities often do not end up contracting for the level of resources originally sought in an RFP. Additionally, with PacifiCorp’s just-in-time procurement approach to HB 2021, the company will in all likelihood need to complete another round, if not multiple rounds, of procurement to reach the law’s 2030 emissions reduction target. Accordingly, RNW recommends that PacifiCorp split the RFP into two separate rounds of procurement, or that the Commission direct PacifiCorp to take this approach. The first round should proceed immediately, while the second round should move forward once the Company’s transition cluster study results are available, likely in spring of 2026.

⁹ Idaho Power Co., Supplemental Application, Docket No. UM 2317 (Or. P.U.C. July 16, 2024)

¹⁰ P.U.C. of Or. Staff Report, Docket No. UM 2317, 4–7 (July 29, 2024)

¹¹ *Id.*

¹² *Id.* at 8.

¹³ Idaho Power Co., Order No. 24-272, Docket No. UM 2317 (Or. P.U.C. Aug. 16, 2024)

¹⁴ Portland Gen. Elec. Co., Order No. 24-425, Docket No. UM 2274 (Or. P.U.C. Nov. 25, 2024).

¹⁵ *Id.* App. A at 13.

C. PacifiCorp Should Clarify That It Will Accept Bids With A Completed Facilities Study Without Condition, Or Explain Why its Transmission Function Would Require Additional Study

On May 15, 2025, FERC approved PacifiCorp's Order 2023 compliance filing, which allows the company to move forward with processing interconnection requests in a transition cluster. RNW submitted a data request to better understand the interaction between project eligibility for the Oregon RFP and FERC's approval of PacifiCorp's compliance filing. Based on PacifiCorp's response, it is our understanding that the company will accept bidding projects with: 1) a completed interconnection system impact study and/or facilities study or 2) a signed interconnection agreement, from cluster studies conducted prior to the compliance filing effective date of July 14, 2025.

However, in the first case, PacifiCorp noted that the company would accept such a cluster study, "provided PacifiCorp's transmission function is not requiring the bidder's interconnection position to be further studied in the 2025 transition cluster study process in order to move forward in the interconnection process."¹⁶ This "catch all" language leaves bidders whose projects are technically eligible based on the RFP's requirements in limbo. Moreover, it provides no indication of how or when a bidder would know whether their project needs to be studied further.

Based on the discussion above, RNW recommends that PacifiCorp accept bids with completed facilities study without condition. If this is not feasible, PacifiCorp should clearly articulate within the RFP the specific reasons why its transmission function may require additional study for such projects, as well as detail when and how bidders will be informed of this determination during the process.

D. PacifiCorp Should Flexibly Implement its Requirement that Bids Be Consistent with an Interconnection Study

PacifiCorp's draft RFP requires that bidders "demonstrate the facility's interconnection studies and interconnection agreement are consistent with the proposed renewable resource equipment, capacity, configuration, and scheduled commercial operation date and will not require a material modification or interconnection restudy."¹⁷ In effect, the RFP requires bidding projects to be consistent with the bidder's interconnection application, or risk being deemed ineligible.

¹⁶ PacifiCorp, Response to Renewable Northwest's 14th Data Request, Docket No. UM 2383 (Or. P.U.C. June 10, 2025).

¹⁷ Expedited Application, Ex. A, at 21, Docket No. 2383 (Or. P.U.C. Apr. 16, 2025) (Draft 2025 Oregon-Situs Request for Proposals), <https://edocs.puc.state.or.us/efdocs/HAA/haa336210026.pdf> [hereinafter Or. Draft RFP]

While this makes sense in the abstract, applying this requirement too rigidly could discourage participation in the RFP - particularly from developers proposing emerging technologies, some of which have been identified as needs in the company's recently-filed IRP. We encourage PacifiCorp to implement this requirement flexibly so that the company does not inadvertently discourage the resources it has identified a need for in the IRP and RFP, such as long duration energy storage ("LDES") technologies. In some cases, existing interconnections may be able to accommodate LDES technologies, by the required COD, even if those technologies weren't originally contemplated when the interconnection application was submitted. For these reasons, we recommend that PacifiCorp base its interconnection consistency criteria on a bidder's ability to demonstrate that the interconnection can support the project within the required timeframe. A bid should not be rendered ineligible solely because a modification may need to be made to the interconnection application.

Finally, the requirement that a facility's interconnection study must be consistent with the proposed COD of a bid relying on that facility could preclude consideration of attractive bids. In past PacifiCorp RFP cycles, developers have responded to signals in PacifiCorp's IRP by submitting interconnection requests for projects that correspond to needs and resources reflected in PacifiCorp's preferred portfolio. The result has sometimes been cluster areas with a surplus of projects, resulting in lengthy interconnection timelines and high interconnection costs.¹⁸ Applying PacifiCorp's proposed requirement inflexibly would mean that any project caught in a cluster with a surplus of resources will be effectively disqualified, even if some – perhaps many – of the projects in that cluster area will ultimately not proceed through the queue, resulting in a shorter interconnection timeline than what PacifiCorp Transmission identified in the original cluster study. Strictly requiring interconnection studies to reflect a bid's COD can thus have the perverse effect of precluding those bids that are most responsive to PacifiCorp's planning, while allowing projects interconnection at other locations on PacifiCorp's system to proceed. For this reason, RNW recommends that PacifiCorp agree, or the Commission require PacifiCorp, to apply this provision of its RFP flexibly.

¹⁸ See Renewable Northwest's Comments at 4, Docket No. UM 2193 (Feb. 18, 2022):

By way of example, one might look to PacifiCorp's 2020 All-Source RFP. In that RFP, a pool of bidders submitted Oregon solar projects, responding to the 500 MW of southern Oregon solar included in the company's 2019 IRP preferred portfolio. But many of those projects received 72-month upgrade timelines from their interconnection-study process, likely in large part because the resources were located within the same study region. Because these resources' upgrade timelines extended past the company's online-date requirement, they were excluded from consideration in the RFP, even though many of the projects were likely tailored to meet needs identified in the company's IRP.

See also Renewable Northwest's Comments on Independent Evaluator's Report, Docket No. UM 2059 (Dec. 4, 2020); Independent Evaluator's Updated Status Report on PacifiCorp's 2020AS RFP, Docket No. UM 2059 (Nov. 20, 2020).

E. PacifiCorp Should Accept Off-System Bids with Conditional Firm Transmission

The RFP requires long term firm (“LTF”) transmission rights for off-system bids. In particular, bidders must provide “satisfactory evidence that long-term, firm, point-to-point transmission rights are already secured in Bidder or project owner’s name or readily obtainable by Bidder to deliver the full output of the resource to PacifiCorp on or before December 31, 2029.”¹⁹

In UM 2193, PacifiCorp’s 2022 All Source RFP, RNW made the case for allowing bids with conditional firm transmission service on the Bonneville Power Administration’s (“BPA”) system:

There is significant concern among the renewable-energy development community that the availability of long-term firm transmission rights on the existing transmission system in the Northwest is dwindling... Relaxing transmission requirements to include conditional firm transmission rights would allow a broader pool of resources to participate in this RFP and increase the likelihood that PacifiCorp’s final shortlist represents a true least-cost, least-risk solution to the company’s needs and state-policy obligations. BPA’s conditional firm transmission service allows a limited amount of curtailment that historically has not constrained delivery of electricity during times of significant need... Thus allowing conditional firm transmission service would likely result in a more robust pool of bidders and unlock latent flexibility on the constrained Northwest transmission system while protecting system reliability.²⁰

In the subsequent public meeting during which the Commission approved the RFP, then-Commissioner Tawney observed that “when the system is transmission-constrained is not necessarily when PacifiCorp has its peak”²¹ and then-Chair Decker summarized the conclusion from the full Commission that “we intend to require this [allowing conditional firm transmission] in the future.”²²

The future is now, and that same argument applies today. A recent report by Sylvan Energy Analytics and GridLab demonstrates how the practice of requiring LTF transmission for new resources is ill suited in the context of growing renewable resource penetration. According to the report, applying an LTF requirement “effectively prioritizes avoidance of renewable curtailment above considerations like affordability and policy compliance in planning and

¹⁹ Or. Draft RFP, *supra* note 16, at 7

²⁰ Renewable Northwest Comments on PacifiCorp’s 2022 AS-RFP, Docket No. UM 2193 (Feb. 18, 2022), <https://apps.puc.state.or.us/edockets/edocs.asp?FileType=HAC&FileName=um2193hac162711.pdf&DocketID=22974&numSequence=51>

²¹ Public Meeting at 2:25:00, Docket No. UM 2193 (April 14, 2022).

²² *Id.* at 2:30:10.

procurement decisions.”²³ The report also highlights that BPA’s transmission system is “much less physically constrained than it is contractually constrained.”²⁴ BPA data indicate that between 2008 and 2024, there were only 246 hours with transmission curtailments, or 0.17% of all hours.²⁵ Analysis conducted by Grid Strategies on behalf of RNW in the context of PGE’s 2023 IRP found that BPA curtailment is unlikely to correspond with peak need hours.²⁶ RNW is still unaware of any data suggesting that BPA curtailments correspond to PacifiCorp’s peak need hours.

On the other hand, requiring LTF transmission rights has harmed the region. Unnecessary reliance by utilities on LTF has led to an overwhelming volume of transmission service requests (TSRs) at BPA. As of March 2025, BPA had 50,000 MW of pending requests for LTF transmission service, compared to having consistently under 10,000 MW of requests prior to 2022.²⁷ The staggering amount of requests has led BPA to pause its 2025 TSR Study and Expansion Process (“TSEP”) cluster study, underscoring the need for a new approach.²⁸ Because the region’s transmission system is severely constrained on a contractual basis, many projects won’t have secured LTF transmission rights and thus will be unable to bid into this RFP.

Further compounding this issue is PacifiCorp’s requirement for deliverability to Oregon, which increases the likelihood that bidding projects will be located in the Northwest, off PacifiCorp’s system and on BPA’s system instead. These projects may have trouble securing scarce LTF transmission rights to PacifiCorp’s system.

Returning to the treatment of this issue in PacifiCorp’s 2022 RFP, based on stakeholder feedback, Staff recommended a condition that would have required PacifiCorp to allow bids with conditional firm transmission rights:

PacifiCorp shall allow bids with Conditional Firm transmission rights to participate and may mitigate the risk of conditional firm transmission by modeling curtailment of the maximum number of hours possible for a given contract. These curtailment events should be modeled as taking place at peak hours to reduce the reliability risk to the greatest extent possible.²⁹

²³ GridLab, Renewables & Transmission Rights, <https://gridlab.org/portfolio-item/renewables-transmission-rights/> (last visited July 3, 2025).

²⁴ *Id.*

²⁵ *Id.* Table 2

²⁶ Round One Comments of Renewable Northwest, App. D, Docket No. LC 80 (July 27, 2023).

²⁷ Bonneville Power Admin., Transmission Planning Reform: Customer Meeting #2 (Jan. 11, 2025), <https://www.bpa.gov/-/media/Aep/transmission/atc-methodology/Tx-Planning-Reform-Customer-Meeting-2-11-25-final.pdf>

²⁸ Gridlab, *supra* note 21.

²⁹ Staff Report for April 14, 2022 Special Public Meeting, Docket No. UM 2193 (Apr. 5, 2022), <https://edocs.puc.state.or.us/efdocs/HAU/um2193hau173139.pdf>

While the Commission ultimately declined to adopt this condition, they did indicate in the public meeting that they would require PacifiCorp to accept bids with Conditional Firm transmission rights in future RFPs, as noted above. As an interim step, their written order directed PacifiCorp to present analysis and solutions in the next RFP for bids with conditional firm transmission service.

We appreciate Staff's efforts to address the concerns from stakeholders regarding conditional firm bids, but we decline to adopt Staff Condition 3. This RFP is part of a multistate process seeking resources from across PacifiCorp's geographically vast transmission system, and adding conditional firm bids at this late stage could impact that multistate process in unforeseen ways. Additionally, while we are not addressing cost recovery in this docket, we do have concerns about cost allocation as it relates to conditional firm bid projects and the other states in this process who may not authorize such bids.

Instead, we direct PacifiCorp to provide analysis of potential solutions to include conditional firm bids in the next RFP. PacifiCorp shall also work with Staff regarding the timing and content of this analysis. We expect that this analysis would be presented early enough in the RFP process to ensure that the other states involved in the multistate process may review and resolve any issues associated with conditional firm bids. We agree with Staff and NIPPC that increasing constraints on the transmission system, particularly on the west side of the PacifiCorp system, make it important to begin to more seriously consider alternative transmission products that may deliver a significant portion of the value that some resources offer the system. We appreciate PacifiCorp's point that it will be important to accurately model the capacity value reduction associated with conditional firm or other non-firm transmission products, but we think it appropriate going forward for PacifiCorp to take on this modeling problem in a serious way.³⁰

PacifiCorp has failed to provide any such analysis or solutions in this RFP and instead retained the requirement from the 2022 AS-RFP for LTF transmission rights. As laid out above, the main reason the Commission declined Staff's recommendation was due to the multistate nature of the RFP. Since this RFP is seeking resources solely for Oregon needs, the complications that could arise from a multistate process are not at play here. Therefore, RNW recommends that PacifiCorp allow off-systems bids using conditional firm service, or in the alternative, the Commission direct PacifiCorp to accept such bids.

³⁰ Order No. 22-130, Docket No. UM 2193 (Or. P.U.C. Apr. 28, 2022), <https://apps.puc.state.or.us/orders/2022ords/22-130.pdf>

F. PacifiCorp Should Modify Language in the RFP to Support Emerging Resources

The RFP seeks resources aligned with PacifiCorp's IRP, which includes over 500 MW of 4-hr storage and over 270 MW of 100-hr storage. However, on page 6 of the RFP, where PacifiCorp lists the resources it will accept and evaluate, the company broadly refers to "[s]torage resources (e.g., battery)" instead of naming specific storage technologies. It may be helpful to explicitly state that PacifiCorp is open to bids with short-duration, long-duration, and multi-day storage. Otherwise, developers may assume that PacifiCorp is only seeking short-duration storage since 4-hour lithium ion batteries make up the largest share of battery technology on the grid today. Despite LDES being mentioned elsewhere, the additional clarity on page 6 can assure developers that PacifiCorp is indeed seeking long-duration and multi-day storage technologies, which will increase the likelihood of PacifiCorp receiving bids for those technologies.

G. PacifiCorp Should Make the Storage Recycling Standard Clear

One of the RFP's minimum eligibility requirements is a demonstration of "adequate plans for (a) recycling all battery energy storage equipment... in compliance with all applicable requirements of law and in accordance with prudent electrical practices."³¹ Based on this language and PacifiCorp's response to our data request,³² RNW interprets this provision to mean that bidders must address recyclability in compliance with existing laws and prudent electrical practices. We do not interpret this to mean that every single component of a BESS facility must be recycled because some components are not recyclable. We encourage PacifiCorp to make this distinction clear in the RFP.

H. PacifiCorp Should Remove the Ban on BESS Suppliers in its Pro Forma Contracts

PacifiCorp included a provision within its pro forma contracts - the PPA for Generation with Energy Storage and the ESA for Energy Storage contracts - that effectively acts as a supplier ban. Specifically, the provision reads: "In no event may Contemporary Amperex Technology Co., LTD (CATL), Fluence or LG Energy Solutions equipment, product, software, or technology be used or incorporated in the Facility."³³ These three companies are key players in the energy storage industry. CATL and LG Energy Solutions are leading battery manufacturers

³¹ Or. Draft RFP, *supra* note 16, at H-34.

³² PacifiCorp, Response to Renewable Northwest's 10th Data Request, Docket No. UM 2383 (Or. P.U.C. June 10, 2025).

³³ PacifiCorp, Supplemental Filing to Appendices E-1, E-2 & E-3, App. E-2, Ex. B-3; App. E-3, Ex. B-1, Docket No. UM 2383 (Or. P.U.C. May 2, 2025), <https://edocs.puc.state.or.us/efdocs/HAO/um2383haq336538026.pdf>

accounting for 38% and 10% of global cell shipments, respectively.³⁴ Fluence, a leading BESS integrator, holds a 22% market share in the U.S.³⁵

At the July 1 Staff Workshop on PacifiCorp's RFP, the Company explained that the Fluence ban in particular stemmed from concerns around battery fires. PacifiCorp seemed willing to remove that ban, recognizing that the first generation technology associated with the fire in question is no longer used by any company and is no longer available on the market. RNW appreciates PacifiCorp's willingness to remove the ban and urges the Company to do so in time for this RFP. Otherwise, the ban may significantly limit the bid pool for BESS projects.

RNW understands PacifiCorp's sensitivity to fire risk. However, it is unclear to us whether PacifiCorp would assume liability in the event of a battery fire given that any projects that result from this solicitation would not be owned and operated by the Company. This RFP only contemplates PPA and ESA bids where developers would construct, own, and operate the assets. RNW would appreciate further discussion on this point and any clarification the Company can provide around its fire risk concerns.

It is also worth noting that over the last several years, the storage industry has integrated new safety features into energy storage systems, advanced BESS design, implemented rigorous fire testing, and developed and supported the adoption of comprehensive safety standards. In the rare occurrence of a BESS fire, those incidents often result from legacy systems that are no longer in use and were designed before national safety standards like NFPA 855 were developed and implemented.³⁶ Early BESS vendors that experienced these issues have continued to improve their technology and fire testing to reduce the likelihood of safety risks in future projects.

Again, RNW supports PacifiCorp working with suppliers to address any concerns and ultimately to remove the BESS supplier ban from this RFP. This would have the practical effect of increasing the types of resources and technologies available in this RFP, which in turn would lead to a more competitive RFP that maximizes customer benefits.

³⁴ 2024 EV and ESS Battery Sales Volume by Makers, SNE Research, (Feb. 25, 2025), https://www.sneresearch.com/en/insight/release_view/381/page/0

³⁵ Anqi Shi & Sam Wilkinson, *The Five Largest Battery Energy Storage System (BESS) Integrators Have Installed Over a Quarter of Global Projects*, S&P Global Commodity Insights (Sept. 29, 2023), <https://www.spglobal.com/commodity-insights/en/research-analytics/the-five-largest-battery-energy-storage-system-bess-integrator>; *Fluence Named Top Battery-Based Energy Storage Provider in S&P Global Commodity Insights Report*, Fluence (Oct. 5, 2023), <https://ir.fluenceenergy.com/news-releases/news-release-details/fluence-named-top-battery-based-energy-storage-provider-spg>

³⁶ Fire & Risk Alliance, LLC, *Assessment of Potential Impacts of Fires at BESS Facilities: Executive Summary* (Apr. 25, 2025), [https://cdn.prod.website-files.com/666b00bb91a866df89c4f469/68139ddeec7a95b605bc9b62_Impact-of-fires-BESS_Executive-Summary-042525%20\(1\).pdf](https://cdn.prod.website-files.com/666b00bb91a866df89c4f469/68139ddeec7a95b605bc9b62_Impact-of-fires-BESS_Executive-Summary-042525%20(1).pdf)

III. CONCLUSION

Renewable Northwest appreciates the Commission's and the Company's consideration of our comments. We recommend that PacifiCorp implement the changes outlined above to the RFP, or alternatively, that the Commission direct the Company to do so.

Specifically, RNW recommends:

1. Removing the Oregon deliverability requirement, or more fully justifying this novel approach;
2. Splitting the RFP into two separate rounds of procurement - the first proceeding immediately and the second proceeding once PacifiCorp's transition cluster study results are available;
3. Accepting bids with completed facilities study without condition, or detailing why PacifiCorp Transmission may require additional study for such projects and when and how bidders will be informed of this determination;
4. Flexibly implementing the requirement for bid consistency with an interconnection study;
5. Modifying language in the RFP to support emerging resources;
6. Making the storage recycling standard clear; and
7. Removing the ban on BESS suppliers in the pro forma contracts.

Respectfully submitted this 7th day of July, 2025,

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