Pacific Power Community Benefits & Impacts Advisory Group (CBIAG (Community Benefits and Impacts Advisory Group)) Public Notes

ODOE (Oregon Department of Energy) Overview, Deepened Understanding of Resilience, CBRE Updates, & Resource Procurement

Thursday, July 20, 2023, 1:00 – 4:00 p.m., Pacific Time

Pacific Power Community Benefits & Impacts Advisory Group (CBIAG) Public Notes

E Source, PacifiCorp's meeting facilitation partner, synthesized and summarized these notes.

Executive Summary

July's CBIAG public meeting was conducted via Zoom on July 20, 2023, from 1:00-4:00 p.m. PDT. Four CBIAG members, representing Four organizations, and six members of the public participated in the meeting. The meeting focused on an overview from the Oregon Department of Energy, and deepening our understanding of resilience, resource procurement, and community based renewable energy.

Meeting Objectives

- Learning about Oregon Department of Energy's offerings and role in supporting an equitable clean energy future
- Deepening our understanding of Resilience, equitable approaches underway for Resource Procurement, and Community Based Renewable Energy (CBRE)

Agenda

TIMING	TOPIC
1:00 p.m.	Land Acknowledgement Presenters, Purpose & Objectives Check In
1:15 p.m.	Reflecting on the June Meeting

1:30 p.m.	Feature: Oregon Department of Energy
2:00 p.m.	Resiliency
2:30 p.m.	Break
2:40 p.m.	Equity in Small Scale Renewable Resource Procurement
3:00 p.m.	CBRE Input Opportunity
3:30 p.m.	Public Comment
3:40 p.m.	Summary and Next Steps

Attendees

CBIAG Attendees	
Jennifer Gustafson	AllCare Health
Patrice Hanlon	Josephine County Food Bank
Tim Lynch	Multnomah County
Xitlali Torres	Klamath and Lake Community Action Services
Presenters	
Christina Medina	Stakeholder Policy & Engagement Manager
Emily Salmeri	Oregon Department of Energy
Kevin Benson	PacifiCorp Director of Risk Assessment
Morgan Westberry	E Source Facilitator
Robert Del Mar	Oregon Department of Energy
Ryan Harvey	Community Renewables Program Manager
Thomas Burns	PacifiCorp Vice President of Resource Planning & Acquisitions
Kimberly Alejandro	PacifiCorp Equity Advisory Analyst
Public	
Algie Au	Puget Sound Energy
Jeni Hall	Energy Trust of Oregon
Charles Lockwood	Oregon Public Utility Commission
Luke Mawhinney	VP CWR Energy
Violet Paxton	Portland General Electric
Michelle Scala	Oregon Public Utility Commission
Karen Chase	Energy Trust of Oregon
PacifiCorp Attendees	
Selyna Bermudez	Sr. Communications Representative
Lee Elder	Load Forecasting Manager
Ian Hoogendam	Distribution System Planning Manager
Laura James	Customer and Community Solutions Project Manager

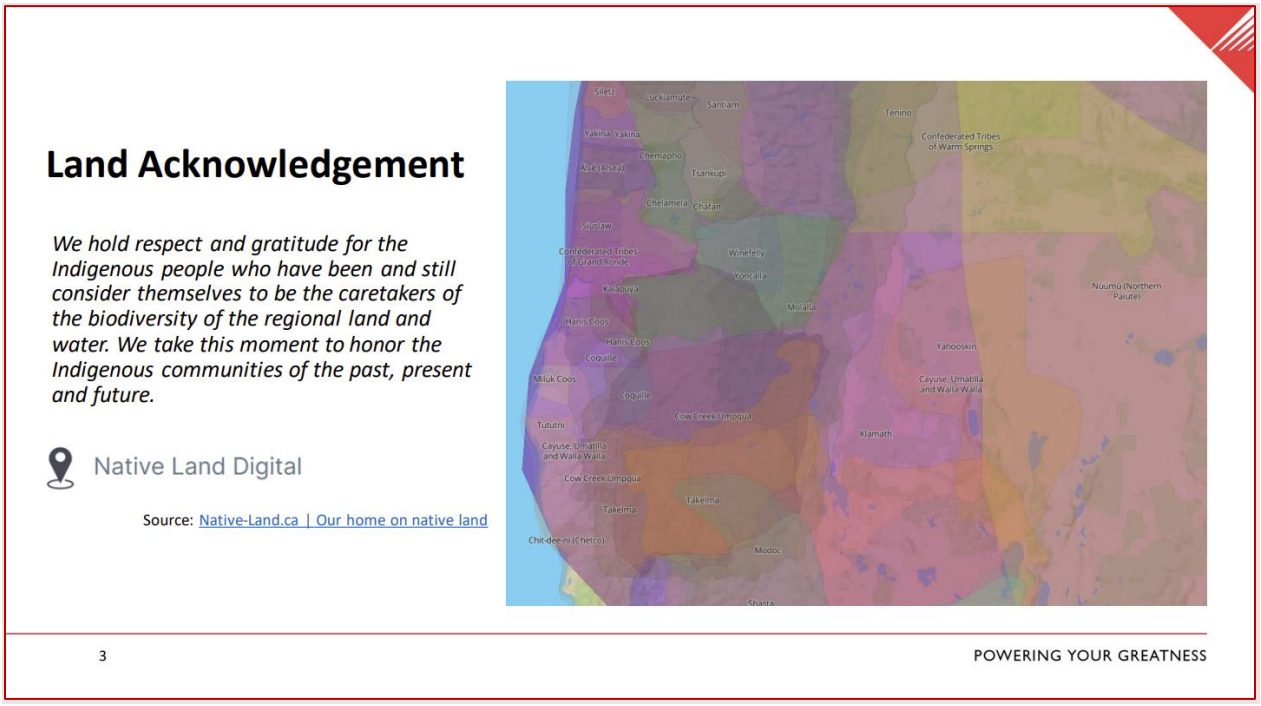
Stephanie Meeks	Regulatory Manager
John Rush	Distribution System Planning Manager
Shauna Thomas	Transmission &Distribution Program Specialist

Meeting Notes

Introduction

Pacific Power's Christina Medina welcomed the attendees, thanked them for joining, and encouraged participants to share their perspectives in the meeting, or by following up with her afterward.

E Source's Morgan Westberry provided housekeeping items, provided an overview of the agenda and objectives, introduced the presenters, and encouraged participation by members.



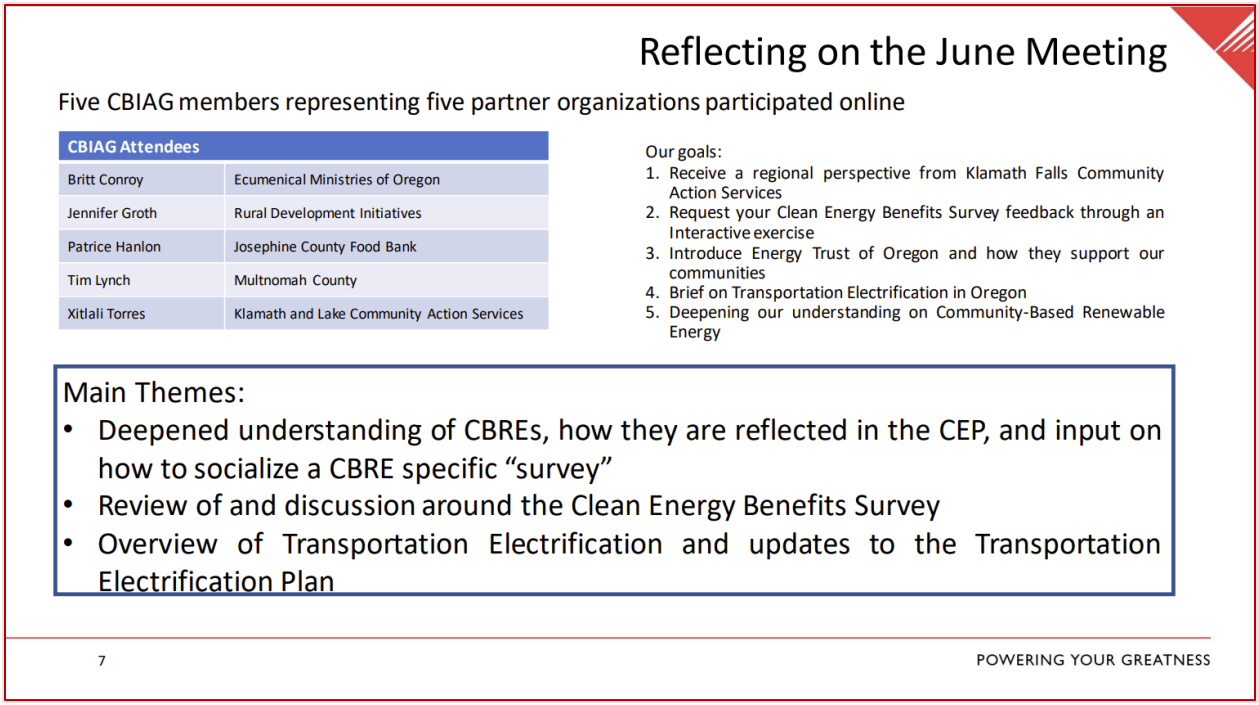
Pacific Power's Kimberly Alejandro renewed and reaffirmed the importance of native peoples as the original stewards of the land. Resources were shared with attendees for people wanting to learn more about these groups: Native-land.ca.

Check In

All CBIAG members "checked-in" by responding to the prompt: *What is your favorite place to visit in Oregon?* The group shared their favorite places to experience in Oregon and connected over the variety of landscapes and destinations represented by the different CBIAG members.

Closing the Loop from the Last Meeting

E Source's Morgan Westberry shared a high-level overview of the virtual July CBIAG meeting and summarized the themes and questions resulting therefrom.



Main themes of the meeting included:

- Deepened understanding of CBREs (Community Benefit Renewable Energy), how they are reflected in the CEP (Clean Energy Plan), and input on how to socialize a CBRE specific "survey"
- Review of and discussion around the Clean Energy Benefits Survey
- Overview of Transportation Electrification and updates to the Transportation Electrification Plan

Oregon Department of Energy: Equity in a Clean Energy Future

Oregon Department of Energy's Emily Salmeri provided a great introduction to the Oregon Department of Energy (ODOE), their vision, and their mission. At the core, ODOE is there to help Oregonians make informed decisions and maintain a resilient and affordable energy system. ODOE advances solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations.

With the best interest of Oregonians across the state in mind, the ODOE achieves its mission by providing:

- A central repository of energy data, information, and analysis
- A venue for problem-solving Oregon's energy challenges
- Energy education and technical assistance
- Regulation and oversight
- Energy programs and activities

ODOE's guiding principles regarding grant funding are as follows:

- Considering equity at every step, including geographic diversity. This will help ensure that the funds comply with the Biden-Harris Administration's Justice40 initiative to distribute at least 40% of the benefits to disadvantaged communities.
- Coordinating with tribal governments and communicating clearly, inclusively, and efficiently to ensure stakeholders and the public are informed and supported, and that they participate in federal funding opportunities.
- Where possible and internal resources allow, provide technical assistance to build community capacity and support grant recipients.
- Building cross-agency partnerships to leverage expertise and support historically underinvested work to further energy and climate goals and to provide other community benefits.
- Taking advantage of high-priority funding opportunities while ensuring quality work that puts every available dollar to its best use.

The ODOE's strategic plan brings clarity and focus with 5 imperatives and select objectives. The imperatives, or focus areas, were identified through stakeholder engagement. Where the select objectives serve as a sampling of ways to help and measure the progress of the imperatives.

The 5 imperatives:

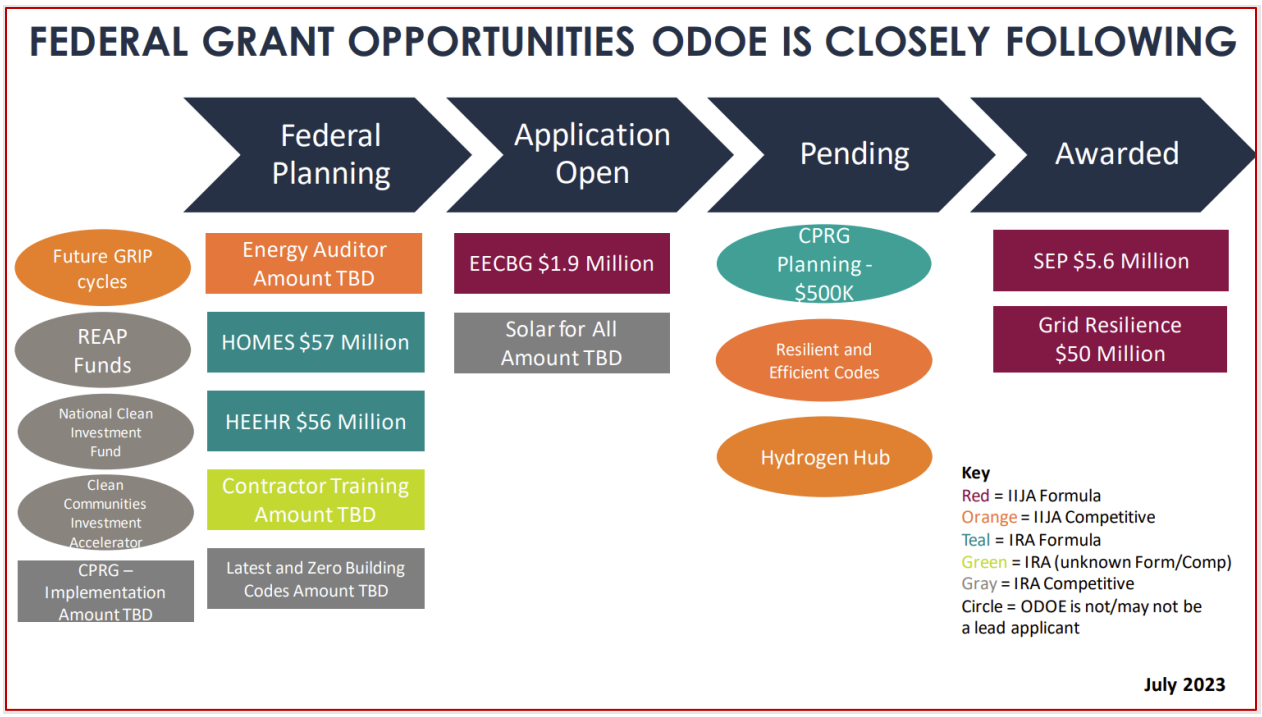
1. Expand and improve stakeholder engagement
2. Build practices and processes to achieve more inclusive and equitable outcomes
3. Access and enhance organizational data capabilities
4. Assess and modernize agency programs and activities
5. Optimize organizational efficiency and impact

In measuring the progress, these select objectives were set:

- Year-over-year increase in agency engagement with organizations representing historically and currently underserved populations and communities
- Year-over-year increase in the percent of agency job applicants identifying as Black, Indigenous, and People of Color
- Year-over-year increase in the percent of historically and currently underserved populations and communities participating in ODOE programs and services
- 100% of ODOE programs and activities align with ODOE mission and position statements
- Year-over-year increase of collection, review, and analysis of data
- Year-over-year increase in data sharing relationships

To learn more about ODOE's strategic plan: http://www.oregon.gov/energy/About-Us/Pages/Strategic-Plan.aspx

With an immense amount of funding coming in for federal and state agency programs and activities, there are many opportunities to still get involved. With the dark blue arrows marking progress, a lot of the initiatives are still in the Federal planning stage.



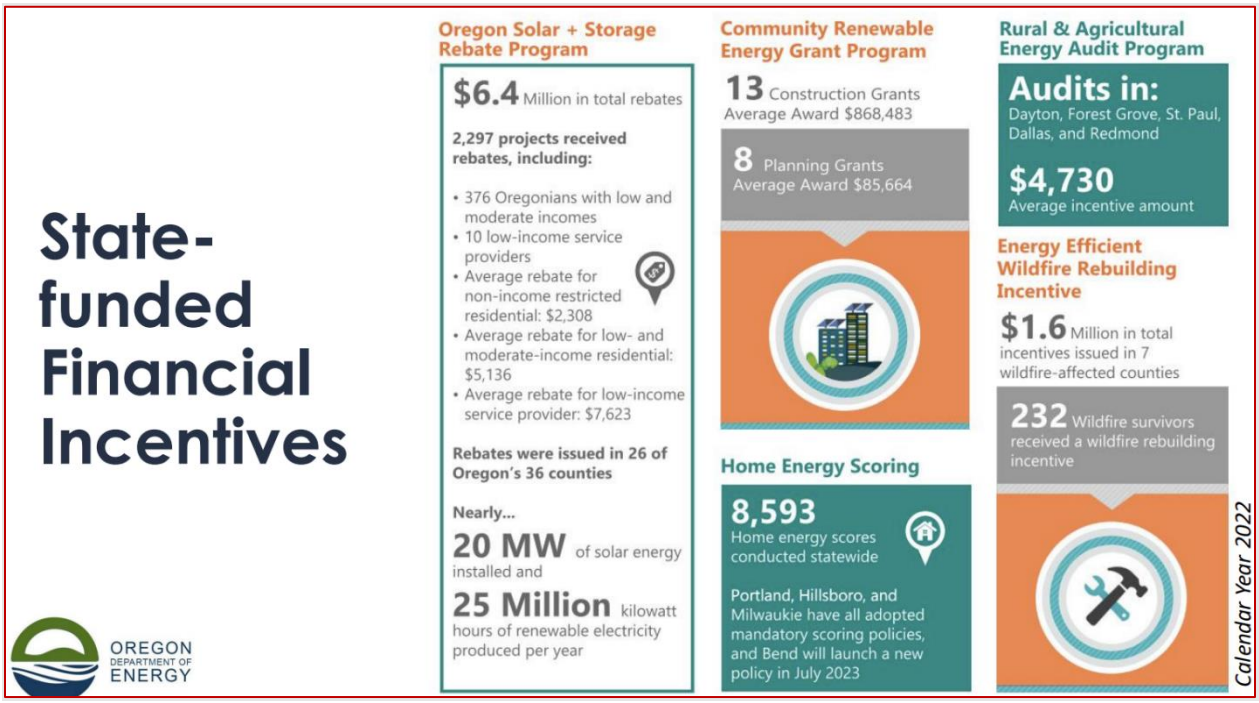
The Grid Resilience Grant Program was formed alongside a plan to prioritize natural hazard and small utilities resilience. The purpose of the Grid Resilience Grant Program is defined as the following:

- Improve the all-hazards resilience of the electric grid against disruptive events
- Generate the greatest community benefit in reducing the likelihood and consequences of disruptive events
- Advance DOE's equity, environmental and energy justice priorities, including the Justice40 Initiative
- Invest in America's workforce

Oregon's Department of Energy's Rob Del Mar spoke on the Competitive Selection Criteria, which includes a competitive process and stakeholder engagement. The Competitive Selection Criteria is broken out into 3 larger categories: project readiness and technical viability, community benefits, and geographic and technological diversity. Projects are evaluated by review committees with ODOE staff and external partners.

Proposed Criteria Categories	Proposed Scoring Weight
Project Readiness and Technical Viability	50%
Community Benefits	45%
Geographic and Technological Diversity	5%

ODOE provided an overview of the current state-funded financial incentives for residents. Specifically of note is the community renewable energy grant program, which focuses on new generation and backup power.



Additionally, the Oregon Department of Energy discussed grant awards. The first round being announced in late 2022, with $12 million in grants for the first round. Round one awardee include:

- Burns Paiute Tribe
- Confederated Tribes of Coos, Lower Umpqua & Siuslaw Indians
- Confederated Tribes of Umatilla Indian Reservation

The second round of grants awarded another $12 million, with 52 applications received and 39 selected. Round 3 will be later this summer.

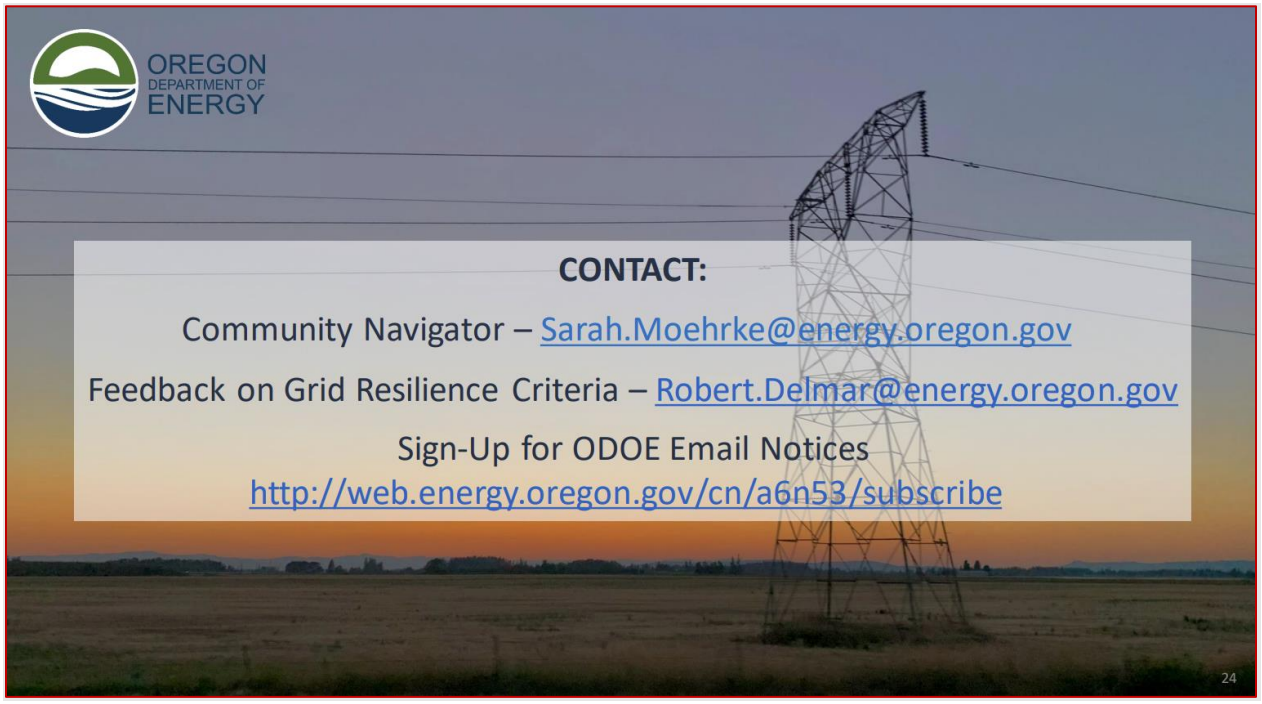
This link to a press release was shared: https://www.oregon.gov/energy/Incentives/Pages/CREP.aspx

New programs and partnerships to look forward to:

- Community Navigator – Helps provide information about potential funding, as well as technical assistance to rural, tribal, and other environmental justice communities as they develop energy projects and programs
- Public Advocate – Works on environmental justice, diversity, equity, and inclusion policies in the energy sector with a focus on HB (House Bill) 4077 and the Environmental Justice Council
- RARE (Resource Assistance for Rural Environments) Member – Works on Rural energy coordination

    - Works with network of state and non-profit partners on energy efficiency and renewable energy projects
    - RARE program brings young folks into the workforce. Please visit that resource here: https://rare.uoregon.edu/
- Solar for All Federal Grant – Helps provide information about potential funding as well as technical assistance to rural, tribal, and other environmental justice communities as they develop energy projects and programs
- HB 3630 – Establishes a new program of ODOE to provide $50,000 grants to each Oregon county to support energy resilience planning
- HB 3409 – Establishes a new program at Oregon Health Authority to provide grants for community resilience hubs.

Oregon Department of Energy closes out with an invitation to stay in touch, provide feedback, and share project ideas and resource needs.



Questions and Comments:

- Energy Trust of Oregon asked about the Federal Grant Slide if the hydrogen hub had an advance and what information is known about the status?
    - ODOE responded that this was submitted at the end of April and have not bene expecting to get much news as that goes through the competitive process. More information will be available towards the end of this year or beginning of the next.
- Energy Trust of Oregon on project and technical readiness asked what would a community do to advance their readiness? How do you see this done differently?
    - ODOE responded that there are a couple of things to keep in mind with this program. The first is that the funds can only go towards utilities. This will help the backlog of projects.

Large utilities have a formula for funds, the smaller utilities carve out 40% of the budget. ODOE could easily make 40 awards that will cover 1 award for every CUE that applies.

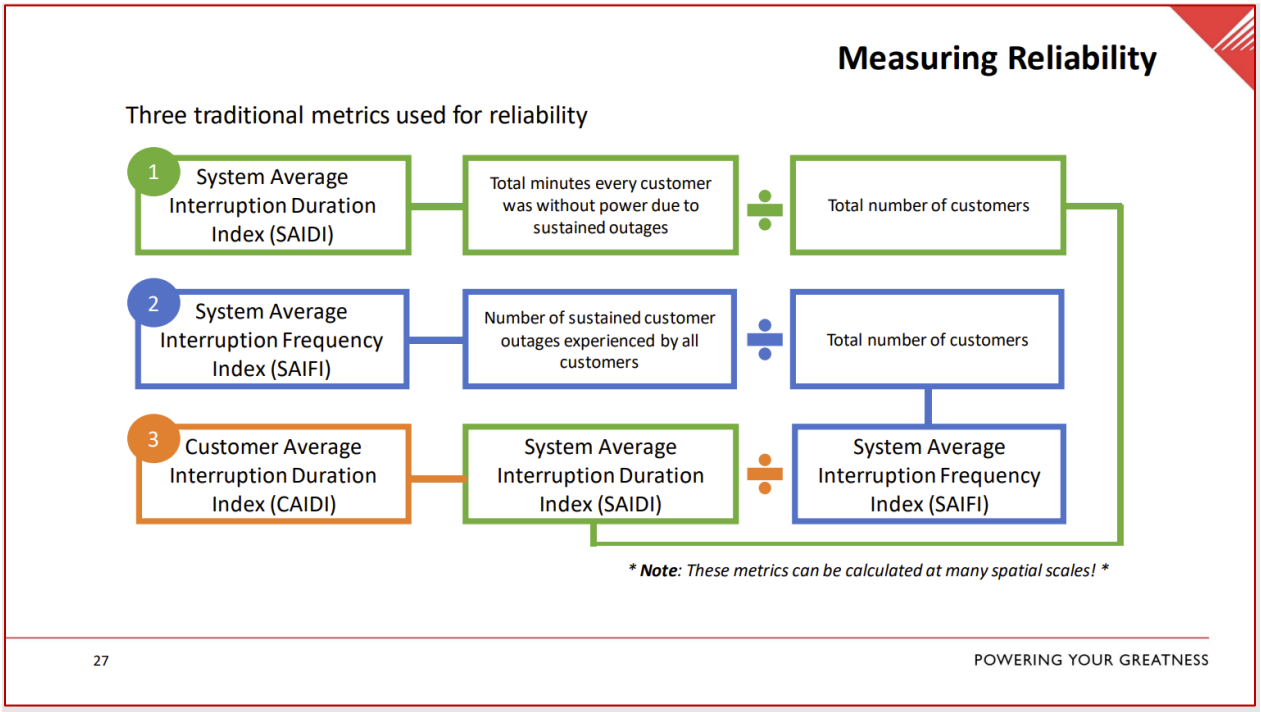
- Federal funds can be tracked at this link: http://web.energy.oregon.gov/cn/a6n53/subscribe

Resiliency

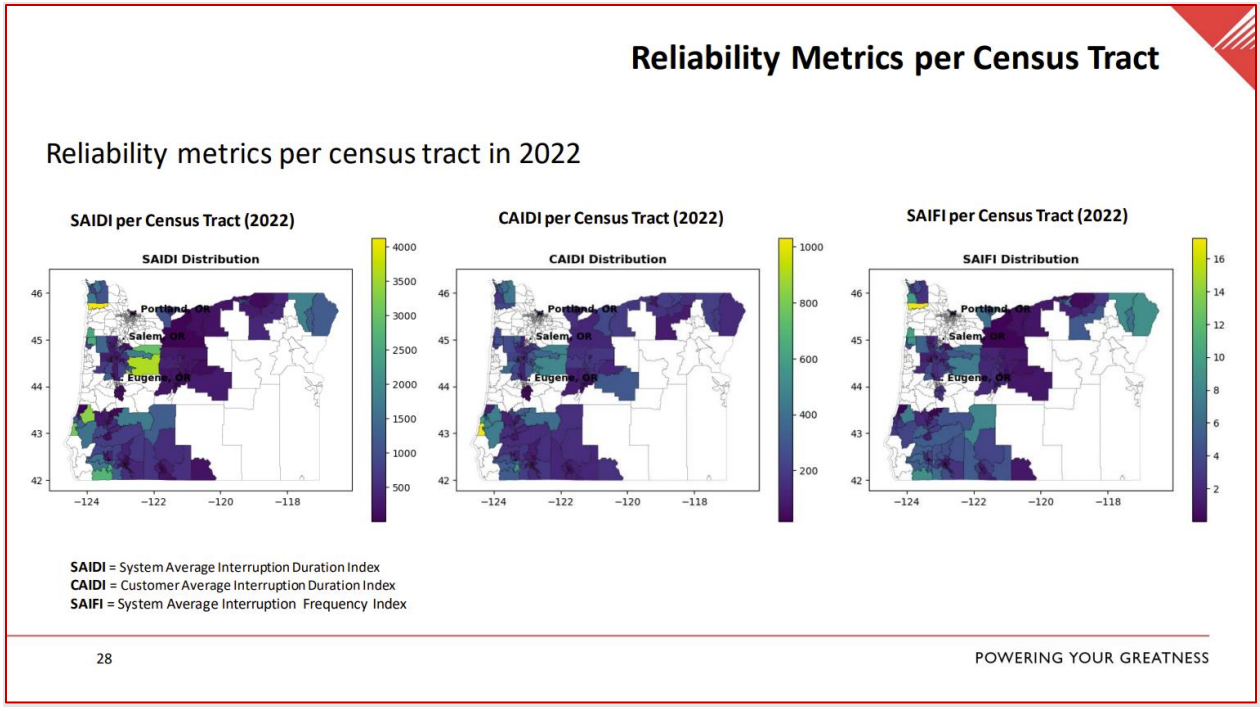
Pacific Power's Kevin Benson provided an update on resiliency, and what the approach will be for designing utility and community resiliency. The first step in this update is to discuss the difference between resilience and reliability. Both intend to keep the power on day-to-day and during extreme events.

Resilience is the capacity to withstand or to recover quickly from difficulties, toughness. Resilience in energy is the preparedness of the system and its ability to cope with various hazards that can disrupt electricity. Reliability is the quality of being trustworthy or of performing consistency as well. Reliability in energy is the availability of the electric system when it is needed.

There are three traditional metrics used for reliability. All three of these are related to each other and are meant to give different perspectives on how the system is performing overall.



Looking at the reliability metrics per census tract in 2022, this brought in major events to bring in the resiliency perspective. Instead of looking at total customer service in a territory, it is broken down to the census tract, which gives a more granular view.



Questions and Comments:

- Energy Trust of Oregon asked if it is possible that they are covering territory that is not only the Pacific Power service district?
    - Pacific Power responded, yes. Although the metrics are color coded, it does not mean that Pacific Power is serving that entire area.

Community resilience or the baseline resilience indicators for communities (BRIC) are calculated using 49 variables in the following grouping categories:

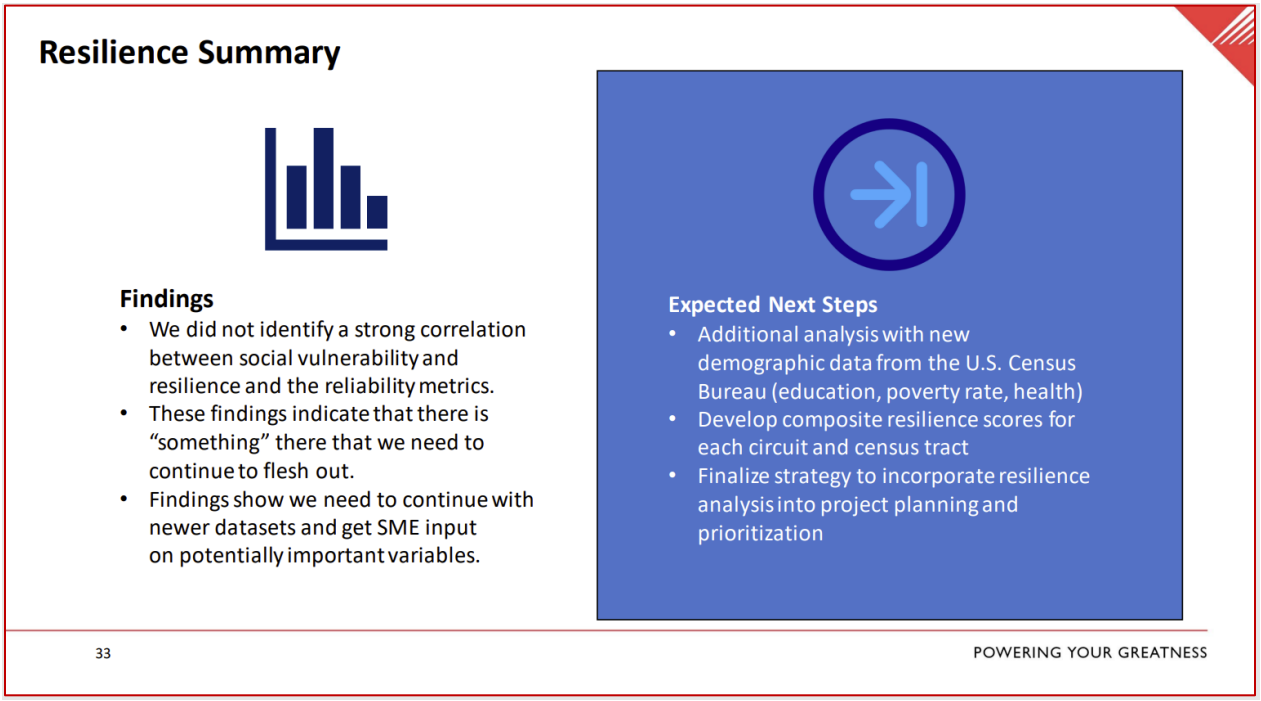
- Human well-being/cultural/social
- Economic/Financial
- Infrastructure/Built Environment/Housing
- Institutional/Governance
- Community Capacity
- Environment/Natural

Questions and Comments:

- Energy Trust of Oregon is curious if Kevin and his team has gone through the exercise of characterizing the resilience factors?
    - Pacific Power responded that the data was not modified.

In looking at social vulnerability, there are 29 total variables in these grouping categories of race, age, ethnicity, special needs, gender, and service sector employment. The social build vulnerability score can be combined with the community, which allows for each of the different areas to be evaluated.

After the hard work on resiliency, it is important to step back and summarize findings and set some expected next steps.



Additionally, a timeline for resilience related milestones and the status of the work. Milestones correspond to the current and next steps work on the previous slide.

- Complete utility resilience analysis – Completed
- Complete community resilience analysis – Completed
- Develop composite community-utility resilience scores – In progress, target date 8/1/23
- Complete major event root cause analysis for high-risk areas – In progress, target date 12/1/23
- Incorporate community-utility resilience scores and risk drivers into CEP program planning – In progress, target date 3/1/24
- Monitor community-utility resilience scores for trend analysis and program improvement – In program, no target date

Discussion: What additional information should be expanded upon to help your understanding and feedback on this approach?

- Energy Trust of Oregon reflected on the sides of this deck. From our community perspective, when we think about resilience, what we are thinking about is trees falling across a line. Needing to repair lines to prevent forest fires, etc....I think what would be useful in presenting this in the world is to go a little deeper. What is the utility doing to protect our lines? If it is buried in the 3 data sets, we do not know what you are doing.
    - Pacific Power responded that there is an opportunity to dig more into reliability. Good acknowledgement of the question and would love to follow up on this.

- MultCo asked how does this play out in practice? How does this shape different interactions with communities? As an advisor, you are interacting with some of these things.
    - Pacific Power agrees with this comment. Individual perspective added to data makes it more digestible.

- Energy Trust of Oregon provided feedback, in addition to utility infrastructure, something else that comes up is transportation and broadband access to cell signal. There are some components that make communities more vulnerable. This is something to consider with the utility infrastructure.
    - Pacific Power is grateful for this input. It is extremely helpful.
- Energy Trust of Oregon continued that any areas that have been designated as power shut off zones, this is valuable information.
    - Pacific Power responded that this is a great point and will work with the team. This should be something that can be factored in.

BREAK

Community Based Renewable Energy (CBRE) Input

Pacific Power's Ryan Harvey provided a refresher on community based renewable energy, starting with Clean Energy Plan's CBRE core commitments, discussing a straw proposal, and expanding feedback channels.

The Clean Energy Plan has 4 CBRE commitments, but in this discussion will only be covering the first 2 of those commitments.

1. Continued Assessment of Needs and Opportunities (Expand the CBRE Potential Study)
    a. Continue to advance CBRE initiatives through community input and engagement groups
    b. Develop and conduct a survey to further assess community interest in CBRE projects and initiatives
    c. Update CBRE Action Plan based on continued learnings on CBRE project development
2. Develop "straw" proposal for expansion of the Community Resilience Battery Storage Pilot
    a. Focused on community resilience hubs and opportunities for better CBRE understanding

For the past few years, Pacific Power has operated a grant program that provides funding for installation of battery storage. I have a plan to take this framework and expand on it. There is the ability to adjust, and feedback is appreciated.

Straw Proposal for Grant Pilot Expansion

Current Battery Storage Grant Pilot for Critical Facilities in OR	Proposed CBRE Grant Pilot for Critical Facilities in OR (must include renewable energy)	Considerations/Topics for Input
Offering #1: feasibility studies to assess and recommend possible battery systems (and pricing) Offering #2: Grant awards to fund purchase and installation of a battery system	Offering #1: feasibility studies to assess and recommend possible **solar + storage** systems (and pricing) Offering #2: Grant awards to fund purchase and installation of a **solar + storage** system	• How should we focus initial efforts • Focus on "depth or breadth" • Utilization of resilience metrics • Consideration of external funding opportunities • Best way to gauge community interest in CBRE opportunities (CBRE "survey")

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In efforts to expand feedback channels for CBRE input, this survey was launched including the questions listed.

Areas for Oregon Community Feedback/Input

We are expanding feedback channels for CBRE input, including launching this survey that has the following questions:

1. **Can you recommend ways that PacifiCorp can more effectively assess community interest in CBRE projects over time?**
2. **Do you have suggestions on how PacifiCorp can increase input from *all* communities?**
3. **How would you like to engage and provide feedback in this process moving forward? Do you have any examples of successful engagement approaches?**
4. **Are there specific tools you recommend to use to solicit input (e.g., email, web surveys, direct engagement, etc.)?**
5. **Should anything else be included in this survey?**

ENGLISH: https://forms.office.com/r/sVcHxXKVLe
SPANISH: https://forms.office.com/r/iy0hZcN3mk
Please provide input by August 1, 2023

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Questions and Comments:

- MultCo noted that both programs can fend both sides and asked about further explanation on the depth and breadth?

- Pacific Power responded that with a finite pot of funding, the hope is to have the opportunity to support the efforts of more communities with dispersed funding. Part of the input being sought is in how to prioritize correctly.

Small Scale Renewable Procurement Update

Pacific Power's Tom Burns provided an update on small scale renewable procurement, the broad planning horizon, and what is being proposed to accomplish over an extended period.

In resource planning, as a natural outgrowth of Pacific Power's decarbonization trajectory over the past several IRP (Integrated Resource Plan) cycles, Pacific Power's 2023 IRP positions the company to comply with HB 2021's decadal requirements. Over the 20-year planning horizon, Pacific Power expects to add:

- 9,114 MW of new wind generation
- 7,855 MW of new solar generation
- Over 1,000 miles (about 1609.34 km) of new transmission assets to access renewable generation
- 500 MW of advanced nuclear generation from the Natrium demonstration project
- 1,240 MW of non-emitting peaking resources

Small-Scale Renewable requirement is 10 percent of the company's generation portfolio for Oregon. Approximately 4.6 percent of this requirement may be met with existing small-scale renewable resources. Pacific Power will need to procure an additional ~5.4 percent or 490 MW. This gap is anticipated to grow to 802 MW.

Regarding procurement, all new resources are required to have an interconnection study that outlines an interconnection schedule consistent with the proposed commercial operation date of the resource. Pacific Power's small generator interconnection process is identified in its OATT. A great resource for this can be found at this link: https://www.oasis.oati.com/ppw/index.html

Utility Scale

- 2023-2024 All-Source Request for Proposals
  - Aligns with needs identified in 2023 IRP
  - Designed to acquire and evaluate specific energy supply resources through the end of 2028

Small-Scale Renewables

- 490 MW need by 2030
- Anticipate issuing a Small-Scale Request for Proposals with bids due late 2024 or early 2025

CBIs/Metrics

- The Interim Community Benefit Indicator associated with procurement is increase community focused efforts and investments, which will be tracked using the metrics of resource development workforce and diversity spend.

Pacific Power's Lee Elder provided a refresher on tracking the metrics of workforce employment numbers and university spend to demonstrate the progress made. Because these are small-scale, they are not subjective to the competitive bidding rules, but Pacific Power is proposing to follow those rules closely.

Request for Proposals (RFP) Process Steps	Standard all-source (AS) RFP schedule (hypothetical)	Small-scale renewable (SSR) proposed – starting 9/30/23	Comment
Open Oregon docket and notify market	06/30/2023	09/30/2023	Start later, shorter duration
Hire Independent Evaluator (IE)	09/02/2023	10/14/2023	Leverage prior RFPs
Final RFP with Oregon commission	12/09/2023	11/25/2023	Informational; public comment completed in CEP engagement
Issue RFP to market and publicize	03/24/2023	11/26/2023	More time for bid prep
Cluster study window closes	05/16/2024	05/16/2024	Same
Cluster study results	11/12/2024	11/12/2024	Same
Benchmark and market bids received	11/21/2024 01/12/2025	11/27/2024 11/27/2024	Combined, single deadline
Bid evaluation complete	04/07/2025	02/05/2025	Avoids benchmark process and PLEXOS durations
File IE report and FSL with Oregon commission	06/23/2025	03/17/2025	No sensitivities; no public comment
Complete contract negotiations	11/15/2025	04/07/2025	Standard contract
Guaranteed commercial operations date	12/30/2028	12/30/2028	

Process Step	2022AS RFP	SSR - proposed
Bid Fees	Bids up to 5 MW: $1,000 per MW base bid Bids > 5MW: $15,000 per base bid fee Free and reduced-price bid alternatives available	To be determined after incorporating feedback. All PPA bids must be fixed price, 25-year term
IE	PA Consulting contract > $1m	No change
Security	Project Development Security: $200.00/KW Performance Security: $100.00/KW LC, cash or parent guarantee	To be determined after incorporating feedback.
Price Scoring	Provided by PLEXOS	Provided by excel cost model.
Non-price Scoring	7% of non-price score (1.7 out of 25 points) attributable to equity criteria (local labor, MBE/WBE contractors and suppliers) 20% attributable to contracting viability 40% attributable to project deliverability	To be determined after incorporating feedback.
Contracting	Negotiated based on proforma redlines	Standard form

Process Step	AS RFP Duration starting Hypothetical	SSR Duration – proposed starting 9/30/23	Comment
IE hiring process	64 days	14 days	No RFP to select IE
Regulatory approval process	217 days	42 days	Includes IE selection process
RFP issuance to bid receipt:	294 days (market bids) →market bids received 52 days after benchmarks	367 days	More notice time for bidders to participate in the cluster study.
Bid evaluation	162 days (all bids) →after separate 51 day benchmark evaluation process	70 days	Benchmark and market bids evaluated together.
Regulatory approval for FSL	82 days	40 days	Simple filing with IE Closing Report
Contract negotiation	77 days	63 days	Relies upon standard contract
Development/ construction period	1,184 days (~3.25 years)	1,322 days (3.6 years)	More time for development and construction

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Questions and Comments:

- MultCo asked why Pacific Power's opinion there has not been more of a response around small-scale renewables?
    - Pacific Power speculates that the time that is taken is the same amount of effort to develop a 200 MW project as it does a 20 MW project, and the return on investment is better on 200 MW. This is why there have not been any of the large, well-capitalized developers looking into this area.

Public Comment

There was no public comment.

Next Steps

Pacific Power's Christina Medina closed out the meeting by providing connects on next steps.

CBIAG Calendar

August 17th (Hybrid)
In person:
AllCare Health
1701 NE 7th Street
Grants Pass, Oregon 97526

September 21st (Online)
CBIAG Zoom Registration

For more information:
Oregon Clean Energy Plan Updated Engagement Strategy

PacifiCorp Stakeholder Engagement

Tribal Engagement Series
July 21st (Online)
- Tribal Engagement Zoom

CEP Engagement Series
August 25th (Online)
- CEP Engagement Zoom

Email comments to:
ORCBIAG@pacificorp.com