



HB 2021 Implementation Update

Senate Interim Committee on
Energy and Environment

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HB 2021 Clean Energy

	Issues	Sections
Planning (IOUs)	Targets and baselines Clean Energy Plans – process, content, and acknowledgement criteria Coordination with DEQE throughout	3 4, 5(1)-(2) 5(1)
Compliance (IOUs)	Monitoring continual progress Compliance – process, methods, exceptions, coordination with DEQ Off-ramps – reliability, cost Early compliance incentives	4(6) 5(4), 8(1)-(3) 9,10, 16 12
Direct Access Issues	Forward looking report Compliance - methods, exceptions, coordination with DEQ Off-ramps New guidance about cost-shifting and competitive policy priorities Supply mix disclosure requirements	5(3) 8(1)-(3) 11 14, 23 25
Customer and community benefits	Utility Community Benefits and Impacts Advisory Group Future PURPA avoided costs changes to reflect generators that contribute to compliance ODOE Study on Small Scale Renewable Energy Projects ODOE Community renewables grant program + advisory committee Updated small scale community-based renewable requirements	6 8(4) 18 29-36 37
Customer supported renewables	Housekeeping portfolio options Community-wide renewable products (a portfolio option)	20-21 22
Underlying attributes and RPS interactions	Emissions accounting based on underlying resource (not RECs) No repeal of RPS statute Changes to definition of bundled and unbundled REC	7 13 24
Other elements	Labor standards Natural gas plant prohibition	26-27 28

Updated 11-29-21

HB 2021 – Clean Energy (1 of 2)

	2021	2022				2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
PGE (forecasted)	PGE RFP (UM 2166)						PGE IRP/CEP		PGE RAC (2021 RFP)		PGE RFP (2023 CEP)		
PAC (forecasted)	PAC IRP (LC 77)						PAC IRP/CEP		MSP Expires				
	PAC RFP (UM 2193)								PAC RAC (2020 RFP)				
Planning (IOUs)	1 Near term planning/procurement/filing guidance				2 Risk-based resiliency guidance				3 Guidance/Resiliency Update				
Compliance (IOUs)	4 Monitor and take action as necessary												
Direct Access	5 UM 2024 – Phase 1				6 UM 2024 – Phase 2				7 OAR 860-038 Housekeeping				

Planning: (1) Focus near-term efforts on integrating the IRP/RFP/CEP process to be most efficient and effective under rapid decarbonization and other transformative policies. The investigation will consist of technical and policy workshops, followed by PUC Staff straw proposals, comment opportunities, and PUC public meetings to adopt interim guidance—investigation scope will also include PUC-DEQ coordination and inform appropriate mechanism to monitor continual progress; (2) Initiate investigation to develop PUC-approved standards and guidance for risk-based resiliency analysis. PUC seeking USDOE resources to support technical workshops, followed by a US DOE whitepaper (or PUC Staff straw proposal), comments, and a PUC public meeting decision to adopt interim guidance; (3) Launch a subsequent investigation (potentially a rulemaking) to revise IRP/RFP/CEP guidance following first IRP/CEP filing.

Compliance: (4) The PUC will monitor utility actions and related impacts on reliability and costs, and take actions as appropriate. Given that compliance requirements begin in 2030, the PUC has identified no need to focus near-term resources on compliance-related actions. In particular, given the uncertainty of actions to be taken by the IOUs to meet the emission reduction targets, the status of regional and state resource adequacy discussions, and the status of other unknowns such as multi-state protocol agreements, the PUC believes it is premature to address questions related to the implementation of cost or reliability off-ramps (e.g., how to attribute investments to HB 2021 and what methodology to use for the cost cap). If related issues are raised in the near-term under §§ 9 and 10 in HB 2021, the PUC will respond by initiating the processes identified in the bill. Other PUC activities and utility filings, such as IRPs, RFPs, and resource adequacy showings, will help inform these issues. Also note that the planning activities identified in #1 will include establishing a process to monitor ongoing progress toward 2030, 2035, and 2040 targets.

Direct Access: (5) The PUC has bifurcated docket [UM 2024](#) to address HB 2021 implementation issues related to direct access in the near-term. Phase 1 is a rulemaking that will address HB 2021 reporting (planning, continual progress, compliance, off ramps), non-bypassability framework, other competitive matters; (6) Phase 2 will be a contested case to examine HB 2021 considerations not captured in Phase 1 through examination of transition charges, caps, etc. (7) Following the completion of both phases in UM 2024, the PUC will open a rulemaking to update [OAR 860 Div 038](#) as necessary (i.e., changes in §§ 23 and 25).

HB 2021 – Clean Energy (2 of 2)

	2021	2022				2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Customer & Community Benefits	8 UCBIAG Tariff	9 UCBIAG Policy											
	10 AR 622			11 ODOE Study									
Customer Supported Renewables	12 Near-term community-wide tariff working group				13	Review utility tariff(s)				14 OAR 860-038 Rulemaking			
Interaction with state and regional policies					15	AR 616							
	16 Monitor and take action as needed												
Other Elements	17 Monitor and take action as needed												

Customer & Community Benefits: (8) PUC Staff will hold a workshop followed by utility tariff filings to establish mechanisms for contemporaneous recovery of costs for the Utility Customer Benefits and Impacts Advisory Group (UCBIAG); (9) PUC Staff will initiate a process in early 2022 on UCBIAG policies, including scoping, discussion of participants, meetings, reasonable costs, clarifying timing of biennial reports, with PUC formal action as necessary. This process will begin with utility proposals for UCBIAG scope and participation followed by a workshop in Q1 2022. (10) The pending [AR 622](#) rulemaking will implement the renewable energy project standard outlined in ORS 469A.210 and § 37 of HB 2021 – to conclude by end of 2021; (11) PUC to appoint a representative to the ODOE study required in §18 of HB 2021, and determine actions required after release of findings in September 2022.

Customer Supported Renewables: (12) PUC Staff will establish a working group to discuss tariff principles, review data, and provide educational resources for interested municipalities and other parties. The focus of the near-term PUC process will be education, transparency, and setting expectations for PUC review of customer supported renewable tariffs. The near-term process will focus on agreement among parties or a Staff whitepaper describing expectations for the tariff elements and process. The scope and schedule of this activity is dependent on success of PUC’s pending application for a USDOE Solar Innovators fellow to support work group and draft whitepaper/agreement. (13) PUC to respond to customer supported renewable tariffs as filed – even those submitted prior to 2023. The PUC, however, will be best prepared to most effectively and efficiently address filings made after the completion of near-term working group process, such as guidance about mitigating the impacts of community programs on energy burdened customers, as well as allow broader coordination and consideration of impacts across Oregon communities. (14) PUC to open rulemaking to update portfolio options policies found in OAR 860-038 rules as necessary. Will include implementation of customer supported renewables provisions, incorporation of HB 2021 §§ 20 and 21, as well as other potential activities, such as the intersection of the UCBIAG with the Portfolio Options Committee.

Interaction with state and regional policies: (15) PUC to complete [AR 616](#) RPS Implementation Plan rulemaking to address storage in the Renewable Adjustment Clause (RAC) and to streamline Renewable Portfolio Implementation Plans (RPIPs) to focus more resources on holistic IRP/RFP/CEP planning following completion of #1 IRP/CEP/RFP/Filings guidance; (16) PUC to continue to monitor intersection of HB 2021 with other state and regional policies, including the renewable portfolio standards, Washington's Clean Energy Transition Act (CETA), and regional market activities. Specific investigations, such as guidance for Renewable Energy Credit (REC) attribution post-2030 compliance or HB 2021 required avoided cost updates in § 8(4), are not prioritized for near-term action.

Other Elements: (17) PUC will address and take action as required and consistent with HB 2021 provisions governing required labor standards and siting restrictions.