

# SB 318: Resource Adequacy

FEBRUARY 11, 2021

SARAH EDMONDS

DIRECTOR TRANSMISSION & MARKET SERVICES



**An Oregon kind of energy.**



# Why is resource adequacy important?

A reliable and affordable clean energy future goes hand-in-hand with resource adequacy. The clean energy future is being built right now. We need to plan for and ensure resource adequacy at the same time.



# What is the issue?

- Oregon's IOUs plan for resource adequacy within an Integrated Resource Plan (IRP)
  - Two-year cycle with significant stakeholder involvement at the OPUC
  - Quantifies future capacity needs and the contributions of various types of resources to meeting those capacity needs
  - Results in an Action Plan for the next 2-4 years to meet those identified capacity needs, with flexibility as conditions evolve
  - After approval by the OPUC, the utility takes steps to actualize resource adequacy through customer programs and competitive procurements.
- Some larger industrial customers located within the service territory of IOUs purchase their power from electricity service suppliers (ESSs) that are not currently required to show they are planning for resource adequacy.
  - In 2019, this represented approximately 8% of IOU average annual load
- A lack of planning and adequate resources impacts all customers



# SB 318 – Closing the gap

- The -1 amendment narrows the scope of the base bill in light of the recently opened resource adequacy docket at the OPUC.
  - Provides the OPUC with clear authority to establish requirements to ensure resource adequacy.
  - Enables the OPUC to assess resource adequacy for both IOUs and ESSs.
  - Enables the OPUC to direct the utility to be a backstop if a load serving entity fails to adequately demonstrate resource adequacy.
  - Allows for PUC consideration of any multistate, regional or national resource adequacy program that affects load serving entities in the state.



# NWPP Regional Resource Adequacy



- NWPP and its member utilities are moving forward to design a regional RA program
  - Regional approach to RA can inform a more comprehensive solution with consistent standards among members
  - Opportunity to access diversity benefits
- ***Regional effort is strictly voluntary:*** does not address resource adequacy obligations of ESSs
- Regional framework and SB 318 work harmoniously to close the gap on reliability

