



*Scott D. Bolton  
Senior Vice President,  
External Affairs & Customer Solutions  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232-4116  
Office (503) 813-7202  
Fax (503) 813-6060*

March 9, 2021

The Honorable Ken Helm  
Chairman, House Committee on Water  
900 Court Street NE  
Salem, OR 97301

RE: House Bill 3221

Dear Chair Helm,

PacifiCorp is an integrated electric utility serving 1.9 million customers in six states across the Pacific Northwest and Rocky Mountain regions. In Oregon, we operate as Pacific Power and serve approximately 620,000 customers from Astoria to Wallowa and Northeast Portland to Lakeview. We are also the state's largest rural electricity provider.

First, we want to thank Oregon Water Resources Congress and Farmers' Conservation Alliance for reaching out to Pacific Power early. It has allowed us to thoroughly think through the intent and design of House Bill 3221.

HB 3221 has elements we conceptually support – we recognize the desire of some of our local communities and large customers to more directly support renewable energy projects as a way to support development in their community or as a means to achieve their own sustainability goals. We support those efforts today through our voluntary Blue Sky program and through grants from that program and the Energy Trust of Oregon.

We also are hearing from our stakeholders that they want to see these programs evolve and become more community directed. We have tried to answer that call by evolving our Blue Sky Select program to allow customers to direct their support to specific, customer-selected projects.

An ideal program design would be to 1) provide renewable energy development where the community's priorities can be reflected in their financial support for the resource, 2) provide an overall net-benefit to the rest of the utility's customers by isolating the above-market cost to the voluntary program participants, and 3) allow for a fully integrated, non-carbon emitting resource that lowers the overall environmental impact of the electricity system.

Overall, in HB 3221 we support the approach of the community working with the utility to identify resources and attributes of the resources, we support the Public Utility Commission overseeing the financial attributes of any program, and we are encouraged by the ability to stack support for this program with other resources, such as our Blue Sky Program and federal tax incentives.

We also feel the bill has some workability issues, and would like to see these issues addressed in future amendments, including:

- Role of the Energy Trust of Oregon in utility procurement is outside of their mission and would unnecessarily complicate the procurement process
- Customers should be able to make the ultimate decision about the program costs and terms of the program for their community based on a process of identifying potential projects
- While “resiliency” is a value supporting this proposal, requiring that the project provide resiliency (which needs more definition) may make resource development more difficult under this program, since distribution system-level investment and energy storage necessary to meet resiliency criteria could add considerable cost to the resource
- Some of the language around resource attributes seem overly prescribed. Instead, flexibility should be given to the customers
- Issue of automatic enrollment for customers who do not want to participate needs to be better described, with more deference to customer/community decision making
- Utility’s role as a purchaser remains unclear and needs work to fully understand – we do not support the creation of a new mandatory purchase program

We appreciate the opportunity to provide feedback on the bill and look forward to working with the bill’s proponents to craft something workable for utilities and our communities that are interested in these kinds of programs that can build on and create momentum for additional renewable options and approaches.

Sincerely,

A handwritten signature in black ink that reads "Scott D. Bolton". The signature is written in a cursive, flowing style.

Scott D. Bolton  
Senior Vice President, External Affairs & Customer Solutions  
Pacific Power