

November 22, 2019

***VIA ELECTRONIC MAIL***

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, OR 97301-3398

Attn: Filing Center

**RE: UM 1667—PacifiCorp’s Reply Comments**

On August 1, 2019, PacifiCorp d/b/a Pacific Power (PacifiCorp or company) submitted its Biennial Smart Grid Report (2019 Report) to the Public Utility Commission of Oregon (Commission) pursuant to Order 17-290 in Docket UM 1460. Comments on the Company’s 2019 Report were due on October 10, 2019.<sup>1</sup> The only party to file comments was Commission Staff (Staff). PacifiCorp provides the following reply comments in response to comments from Staff regarding PacifiCorp’s 2019 Report.

**I. Stakeholder Process**

On June 21, 2019, PacifiCorp held a stakeholder workshop to receive feedback, comments, and questions regarding the company’s draft 2019 Report, which was distributed to stakeholders prior to the workshop. Feedback from the workshop and Staff’s post-workshop comments on the draft report provided valuable feedback to assist PacifiCorp in preparing a thorough and robust 2019 Report.

On August 1, 2019, PacifiCorp submitted its 2019 Report in compliance with Order Nos. 12-158,<sup>2</sup> 17-290,<sup>3</sup> and 18-045<sup>4</sup> and incorporating feedback from stakeholders. PacifiCorp provided a presentation of the 2019 Report to the Commissioners and stakeholders at the September 10, 2019 Public Meeting. On October 10, 2019, Staff provided comments on the 2019 Report. PacifiCorp provides these reply comments in response to the comments from Staff.

**II. PacifiCorp’s Response to Staff’s Formal Comments**

PacifiCorp’s reply comments are organized by responding to Staff following the structure outlined in its comments. Staff’s comments are repeated and provided in italics, with the company’s response in regular font.

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<sup>1</sup> See Docket UM 1667, Draft Smart Grid Schedule file by Commission Staff on July 23, 2019.

<sup>2</sup> Order No. 12-158 at 1.

<sup>3</sup> Docket UM 1460, Order 17-290 at 2.

<sup>4</sup> Docket UM 1667, Order 18 045 at 1.

### **Minimum Requirement 2**

Status of smart-grid investments the utility plans to take in the next five years and of projects already underway.

***Staff Comment:** Because the Company has run into some public opposition to AMI installation, knowing the percentage of customers who have opted out of smart meters is an important metric for assessing this project's status. This information was not included in the Report.*

### **PacifiCorp Response**

The current customer opt-out rate is 1.2 percent, or 8,004 opt-out customers out of 621,000 total customers in Oregon.

### **Minimum Requirement 3**

Smart grid opportunities and constraints

***Staff Comment:** Some identified opportunities require more detailed elaboration. The section on the Energy Imbalance Market (EIM) only introduces this opportunity in a generally qualitative way. Staff would like to see numbers behind these claims of benefits in the Report. The Company should identify the degree to which the Company's dispatch has become more efficient due to the EIM, the amount of the Company's renewable curtailment reduced by participation in the EIM, and the amount of reduction in the Company's need of flexible reserves due to EIM participation. Also, the Company mentioned "the cost of compliance with greenhouse gas emissions regulations when energy is transferred into the ISO to serve California load." Staff would like to see these costs detailed.*

### **PacifiCorp Response**

The company appreciates Staff's review and comments on the 2019 Report. However, the 2019 Report is not the appropriate place to include the level of EIM information that Staff is requesting. PacifiCorp's 2019 Report meets the Commission's objective of keeping parties apprised of PacifiCorp's progress as well as an opportunity to provide input into utility evaluations of smart-grid technologies and applications, and additional smart-grid investments. The 2019 Report accomplishes this goal with regard to the company's participation in the EIM by informing parties of the on-going benefits of the EIM. However, the details associated with PacifiCorp's participation in the market is best suited for the Company's transition adjustment mechanism (TAM) annual filing. Each year PacifiCorp files detailed workpapers and information that provide the information that Staff is requesting in this 2019 Report. Within the TAM public stakeholder process, PacifiCorp has answered numerous data requests, filed written testimony and has provided a high level of detail regarding the efficiency achieved through the EIM and compliance costs associated with greenhouse gas emissions.

***Staff Comment:** An identified constraint requires more detailed explanation as well. For example, on page 10, the Company states "...in certain instances PacifiCorp can restore power*

while the customer center representative is still on the phone with the customer...” In what circumstances is this possible and what circumstances is it not possible?

### **PacifiCorp Response**

Less than one percent of over-the-air functions encounter a communication issue and fail. Failure is typically due to a physical blocking of communication to the meter (something placed on the meter or in front of the meter that impacts radio frequency performance), meter failure, and tampering.

### **Minimum Requirement 4**

Targeted evaluations of technologies and applications pursuant to Commission approved stakeholder recommendations.

**Staff Comment:** Staff found the description of the technologies and applications sufficient. But requirement three of the Commission-approved recommendations in Order No. 18-045 requires more reporting as explained below in its Requirement #3.

### **Requirement 3 from Order No. 18-045**

The Company should provide updates and results of its expanded [phasor measurement unit (PMU)] installation project and provide additional information in future smart grid reports on the evaluation process used by the company in choosing deployment locations for the synchrophasors that will provide the data critical for compliance.

*Staff Comment: On page 17, the Company describes a PMU placement philosophy of deploying at large generators of 75 megawatts (MW) or larger first before city center loads or where lines converge. Staff would like to know what percentage of this first stage of installation has been completed.*

### **PacifiCorp Response**

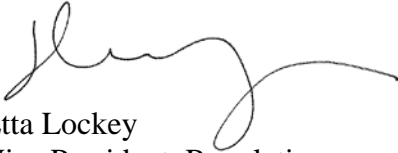
As of October 2019, PacifiCorp has completed physical installation of the phasor measurement units at each of the 13 large generation facilities identified for the first stage of implementation. However, the units are not yet streaming data to the centralized phasor data concentrator due to firmware and bandwidth issues. Engineering is currently working to troubleshoot the firmware and bandwidth issues and once the fix is confirmed, updated settings will be developed and issued to complete the full implementation.

## V. Conclusion

PacifiCorp appreciates Staff's comments and the opportunity to respond to them and to present the 2019 Report to the Commission and other stakeholders.

If you have questions about these comments, please contact Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

A handwritten signature in black ink, appearing to read 'Etta Lockey', with a long, sweeping horizontal stroke extending to the right.

Etta Lockey  
Vice President, Regulation