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April 14, 2016

Public Utility Commission of Oregon
Attn: OPUC Filing Center
201 High St. SE, Suite 100
P. O. Box 1088
Salem, OR 97308-1088

RE: UM 1690 – PGE’s Response to Commission Order No. 15-405

This is in response to the Commission’s Order encouraging PGE to file a draft Voluntary Renewable Energy Tariff (VRET) to help inform a Commission decision of whether it is in the public interest to allow utilities to offer VRETs. After careful consideration, we have chosen not to file a draft tariff at this time. We do, however, encourage that the Commission not foreclose a later filing should conditions and customer interests change. Our reasoning for this decision follows.

PGE’s interest in pursuing has always been driven by our customers’ interest in a new renewable energy product. Indeed, as the Commission heard during the docket, many utility customers increasingly wish to demonstrate their support for renewable energy and their commitment to helping address climate change by “walking the talk” in their own power purchases. They want their utility to offer a product that would allow them to purchase renewable energy bundled with its associated environmental benefits. In short, PGE would like the ability to offer a new renewable energy product to our non-residential customers because they are asking for one.

We acknowledge, however, the concerns from the Commission, Staff, and other stakeholders that were expressed in this docket.

After the Commission issued its Order, we met with several customers to discuss a voluntary renewable tariff in light of the conditions the order set forth. We proposed to them a tariff and term sheet modeled after Duke Energy Carolinas, LLC’s Green Source Rider, which is being offered in North Carolina. We chose the Green Source Rider because it came closest to meeting the OPUC’s VRET conditions. Unfortunately, customers showed little interest in such a VRET given its cost relative to other available green power products. Based on these discussions, we do not believe that extending the UM 1690 regulatory process, at this time, would significantly increase the development of renewable energy in the region.

Our customers have, however, expressed an interest in pursuing a VRET if market conditions were to change significantly. Accordingly, we will continue to solicit customer feedback to ensure any future tariff designs continue to meet market needs.

PGE thanks the Commissioners, OPUC staff, and stakeholders for their participation and input on this docket. It is important to our customers, and the collective dialogue has been valuable in better

understanding customer desires and stakeholder concerns. We look forward to continued collaboration as we evaluate new and emerging technologies our customers demand over time.

Sincerely,

A handwritten signature in black ink that reads "Carol Dillin". The signature is written in a cursive, flowing style.

Carol Dillin
Vice President, Customer Strategies & Business Development