

ELLEN F. ROSENBLUM  
Attorney General



FREDERICK M. BOSS  
Deputy Attorney General

**DEPARTMENT OF JUSTICE**  
GENERAL COUNSEL DIVISION

May 14, 2018

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, OR 97302-1166  
PUC.FilingCenter@state.or.us

**Re: UM 1856 – Errata Filing**

Dear UM 1856 Parties:

The Public Utility Commission of Oregon Staff (Staff) has made a correction to Staff's Reply Testimony at Staff/100, Wiggins/10 with this errata filing as follows: After line 11, the three factors, A through C, that are provided in HB 2193 (2015) for Commission consideration when reviewing an electric company's energy storage proposals were unintentionally omitted.

The clean replacement page reflecting the errata change is attached with this letter. If you have any questions about this errata filing, please do not hesitate to contact me.

Sincerely,

Kaylie E. Klein  
Assistant Attorney General  
Business Activities Section

KK7#8948552  
Attachment  
cc: UM 1856 Service List

1 2018, the utilities were to file final project proposals and final storage potential  
2 evaluations; (3) no later than April 2, 2018, the Commission would begin review  
3 of the final filings.<sup>6</sup>

4 PGE filed what appears to be its final project proposals and final  
5 storage potential evaluation on November 1, 2017, which are the filings being  
6 evaluated in this Staff Reply testimony.

7 **Q. What is the legal standard for Commission approval of PGE's proposals?**

8 A. The legal standard for Commission approval of storage proposals is expressly  
9 provided in HB 2193 (2015). After considering the following three factors, the  
10 Commission may authorize an electric company to develop one or more  
11 projects that include one or more qualifying energy storage systems:

- 12 A. Is the proposal consistent with the Commission project and proposal guidelines adopted in  
13 Order No. 16-504?
- 14 B. Does the proposal reasonably balance the value for ratepayers and utility operations that is  
15 potentially derived from the application of energy storage system technology and the costs  
16 of construction, operation, and maintenance of energy storage systems? and
- 17 C. Is the proposal in the public interest?

18 **Q. Do any other requirements apply to PGE's proposals?**

19 A. Yes. Since HB 2193 (2015) was passed, the Commission has adopted  
20 numerous requirements applicable to PGE's filing.

21 **PROJECT GUIDELINES**

22 The Commission adopted seven *guidelines for projects*.<sup>7</sup> Project guidelines  
23 cover high-level expectations for the ESS projects, or portfolio of projects,  
24 submitted for Commission review. They are:

- 25 1. Electric companies are encouraged to submit multiple projects with an aggregate  
26 capacity close to the full one percent of 2014 peak load allowed by HB 2193.

<sup>6</sup> Docket Nos. UM 1856 and 1867, Appendix A to Order No. 17-375 at 17 (Sept. 28, 2017).

<sup>7</sup> Docket No. UM 1751, Order No. 16-504 at 4 (Dec. 28, 2016).