

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1912

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

Resource Value of Solar.

**PORTLAND GENERAL ELECTRIC
COMPANY'S OPENING BRIEF**

Starting in 2015, PGE and other parties to this docket participated in an extensive, collaborative and transparent predecessor docket, UM 1716, to determine the elements for inclusion in the methodology for calculating a resource value of solar (“RVOS”). In its Order No. 15-296, the Commission directed that only elements that directly impacted the cost of service to utility customers were to be included in the RVOS. Ultimately, after engagement by the Commission of a third-party consultant, Energy and Environmental Economics (E3), the Commission selected and included ten cost of service-related elements plus a placeholder for the future value of grid services, as required elements in its Order No. 17-357. The chosen elements are: Administration, Energy, Environmental Compliance, Generation Capacity, Grid Services, Avoided Hedge Value, Integration, Line Losses, Market Price Response, Transmission and Distribution (“T&D”) Capacity, and Renewable Portfolio Standard (“RPS”) Compliance. (Order No. 17-357 at 2).

Order No. 17-357 directed the utilities to file initial RVOS calculations using the Commission-selected elements and methodologies. This docket, UM 1912, is the compliance filing docket for Portland General Electric Company (“PGE”). In it, PGE has submitted an RVOS calculation in compliance with, and following the instructions contained in, Order No. 17-357. PGE has utilized the required methodologies and produced calculated values for Energy, Generation Capacity, T&D Capacity, Line Losses, Administration, Integration, Market


Price Response, and Environmental Compliance. PGE/100, Goodspeed/4-6. For the Avoided Cost of Hedging element, PGE used 5%, as required by the Commission. Order No. 17-357 at 12. Also, per Order No. 17-357, PGE has not provided values for the RPS Compliance or Grid Services elements. *Id.* at 13, 16. We understand the Commission will initiate additional processes to value these elements, and we look forward to participating in these proceedings. PGE/100, Goodspeed/4-6.

PGE continues to advocate that the RVOS should be updated on an annual basis. Because an RVOS calculation contains many cost elements that can change, frequent updates will improve accuracy. In the event the RVOS is implemented in programs where PGE's customers are providing compensation for solar power, frequent updates will help to ensure that PGE customers are paying the correct amount for such power.

We commend the Commission Staff ("Staff") and the other stakeholders for their significant efforts and participation in this docket and sister dockets for PacifiCorp (UM 1910) and Idaho Power (UM 1911) to generate an RVOS for each utility. Based on feedback from Staff and other stakeholders, we are confident that PGE's RVOS filing is compliant with the Commission's requirements; and therefore, we respectfully ask for the Commission's approval.

DATED this 26th day of July, 2018.

Respectfully submitted,



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