

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

AR 614

In the Matter of
Rulemaking Related to a New Load Direct
Access Program.

**3 PHASES RENEWABLES INC.'S
COMMENTS REGARDING NEW
LOAD DIRECT ACCESS IN OREGON**

INTRODUCTION

3 Phases Renewables Inc. (“3 Phases”) provides clean and affordable energy solutions to commercial and industrial customers of all sizes. To that end, 3 Phases is registered as an Electricity Service Supplier (“ESS”) in Oregon and currently provides direct access service to companies in the service territories of both PacifiCorp and Portland General Electric (“PGE”). 3 Phases believes that the Commission’s proposed new large direct access rules (“NLDA Rules”) present a significant opportunity to better serve the energy needs of eligible customers without significant undue transition rates. 3 Phases offers both its strong support in favor of adoption of the NLDA Rules and the following comments and observations to further refine the draft rules.

COMMENTS

Transition Rates. 3 Phases agrees with others who have argued that there is no justification for a transition rate that recovers 25 percent of the fixed generation costs for five years, and it should therefore be deleted. Transition charges are intended and designed to protect bundled cost-of-service customers from undue cost-shifting. There is no valid reason for applying any transition charge, let alone 25%, to a new load for which

the incumbent utility has not yet incurred any service costs. Where there are no costs to shift, there is no longer an economic rationale for imposing a transition charge.

Notice Period. 3 Phases agrees with others who have asserted that a minimum one-year notice period is much longer than necessary. The notification deadline should be the latter of: (1) an executed written agreement with the utility to receive delivery service for an eligible new load; (2) six months prior to energizing the meter; or (3) as otherwise mutually agreed by the parties.

Load Size. 3 Phases works with companies of all different sizes and believes the proposed NLDA Rules could be easily applied to medium and large customers (and not just *very* large customers). 3 Phases respectfully suggests applying the NLDA Rules to all customers that are otherwise eligible for long-term direct access service (e.g., 1 MW of aggregated load).

Reduction of Load After Entry. 3 Phases agrees with others and recommends that customers should not be penalized if their load drops. Again, the question is one of cost-shifting to other ratepayers. A reduction in load (from, for example, *very* large to just large) does not cause any cost-shifting to other ratepayers because the utility had never planned to serve the new load in the first place.

Rate Adder for Returning to Cost-of-Service Rates. 3 Phases believes that an NLDA customer should follow the rules already in place for a direct access customer that returns to cost-of-service (e.g., 3-year notice/period in which market rates must be paid).

Existing Load Shortage Transition Adjustment. 3 Phases agrees with others that have said the “Existing Load Shortage Transition Adjustment” should be removed.

Many of 3 Phase’s customers are heavily involved with energy efficiency efforts, demand

response, and onsite generation initiatives. This rule would discourage this type of activity and make the NLDA program overly complex. A binding affidavit from each customer should accomplish the same intended result.

CONCLUSION

3 Phases appreciates the opportunity to comment on the proposed NLDA Rules and encourages Staff and the Commission to consider the above comments.

DATED this 5th day of July, 2018.

Respectfully submitted,

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