

ITEM NO. CA10

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 23, 2018

REGULAR CONSENT EFFECTIVE DATE November 1, 2018

DATE: October 15, 2018

TO: Public Utility Commission

FROM: Mitchell Moore *MPM*

THROUGH: Jason Eisdorfer *JE* and John Crider *JC*

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. ADV 846/Advice No. 18-12) Updates Schedule 26, Energy Payments for Non-residential Demand Response Pilot Program.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Portland General Electric's (PGE or Company) filing that updates the Firm Energy Payments made to customers related to the demand response pilot program in Schedule 26, with an effective date of November 1, 2018.

Staff recommends that the Commission approve PGE's request for a waiver of ORS 860-036-2380, allowing the updates to go into effect with less than statutory notice.

ISSUE:

Whether the Commission should approve PGE's proposed updates to the Firm Energy Payments and other clarifying language contained in Schedule 26, with an effective date of November 1, 2018.

DISCUSSION:

Applicable Law

The Commission may approve tariff changes if they are deemed to be fair, just and reasonable. ORS 757.210. Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR

860-022-0025. Filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change. See ORS 757.220; OAR 860-022-0020.

Overview

On October 10, 2018, PGE filed Advice No. 18-12, requesting an update to the Firm Energy Payments made to non-residential customers that respond to demand response events as defined in Schedule 26. The filing also clarifies language related to which holidays are applicable to calculating the baseline load profile and for calling demand response events.

Analysis

Schedule 26 is an optional service that provides large non-industrial customers incentives for reducing a committed amount of load at the request of the Company. The program is currently in pilot status and is expected to run through September 30, 2020.

The incentive payments made to customers under Schedule 26, known as Firm Energy Payments, are based on the Mid-Columbia Electricity Index (Mid-C) as reported by the Powerdex, and adjusted for losses based on the Customer's delivery voltage. This filing updates the November 2018 through September 2019 payments based on this forecast.

In its review, Staff verified the accuracy of the proposed payments as reflected in the identification of this forecast in the Company's UE 335 rate case filing.

Conclusion

Staff reviewed the Company's filing and redline changes to the Company's Schedule 26. Staff is satisfied that the changes are appropriate, and reflect the current approved forecast of forward market gas prices.

PROPOSED COMMISSION MOTION:

Approve PGE's filing that updates the Firm Energy Payments made to customers related to demand response pilot program in Schedule 26, with an effective date of November 1, 2018.

Approve PGE's request for a waiver of ORS 860-036-2380, allowing the updates to go into effect with less than statutory notice.