

March 24, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

Re: UM 2111 – PGE’s Responses to Additional Questions

Portland General Electric Company (PGE) submits these responses to Public Utility Commission of Oregon (Commission) Staff’s additional questions issued on March 11, 2022, related to the scoping approach for the Docket UM 2111 Investigation into Interconnection Process and Policies. PGE appreciates Staff’s methodical approach to the scoping process and the opportunity to provide additional feedback. PGE also appreciates Staff’s clarification regarding the specific projects Staff seeks to prioritize, and PGE requests additional clarification from Staff regarding Staff’s ultimate goals for the T&D system following Docket UM 2111. Ensuring that all stakeholders understand Staff’s priorities and ultimate goals will help them to engage constructively and resolve issues efficiently. PGE suggests that maintaining a safe, reliable, and resilient system should be a cornerstone of the Docket UM 2111 efforts.

PGE responds to Staff’s additional questions as follows:

- 1. Given Staff’s concerns with interconnection issues being a roadblock to the projects driven by state policy (including incentives and grants), are Staff’s proposed Group 1 issues the three most effective issues for these specific generators to cost-effectively interconnect? If not, which three issues are and why?**

Based on Staff’s presentation at the March 9 workshop, PGE understands Staff’s Group 1 issues to be: (1) updating interconnection rules and policies to incorporate IEEE 1547-2018 and address advanced inverters; (2) integrating storage, islanding, and other modern configurations explicitly into the rules and policies; and (3) reviewing the screening thresholds used in conducting interconnection studies and the technologies used to mitigate impacts when thresholds are reached. PGE agrees that the first two issues will help these specific generators to cost-effectively interconnect, and PGE supports prioritizing these issues. PGE is open to discussing the screening thresholds and mitigation technologies (Staff issue 3), although PGE questions whether the result of that discussion will be major changes that dramatically increase the ability to interconnect in constrained areas. PGE also expects that this third issue will likely involve significant technical discussion and may

require Commission direction to the extent there is disagreement regarding what thresholds and technologies adequately protect the utilities' systems.

Finally, PGE notes that through PGE's work on the Distribution System Plan (DSP), PGE has developed tools and resources that provide transparency and information for customers and developers on hosting capacity and the interconnection process, which can be found at: <https://portlandgeneral.com/dsp>. PGE encourages all interconnecting generators—including projects driven by state policy—to use this and other available tools to identify viable areas to interconnect.

2. Which of the following actions would be most effective at reducing interconnection costs in the next twelve months and why (select one)?

a. Improving the analysis and other utility practices that identifies the upgrades and associated costs.

b. Providing transparency about current utility analysis, data, assumptions, prices, and other practices.

c. Improving tools that allow interconnection customers the ability to contest cost estimates, and prevent them from changing?

The extent of interconnection upgrades, and therefore the cost of interconnection, are driven primarily by the generator's siting choice. The Joint Utilities explained the drivers of Network Upgrade costs (which is one type of interconnection upgrade) and the significant variability in cost by location in Docket UM 2032, Joint Utilities/100, Vail-Bremer-Foster-Larson-Ellsworth/19-20; Joint Utilities/200, Wilding-Macfarlane-Williams/13. Therefore, the single most effective strategy for reducing interconnection costs in the near-term would be to encourage efficient siting decisions. Potential interconnecting generators already have access to a Distributed Generation Evaluation map and the option to request a pre-application report to assess the viability of a particular location. If stakeholders demonstrated that the already available tools are being fully utilized and are inadequate, PGE would support additional transparency efforts consistent with Staff's Option (b).

Staff's Option (a) will likely require the Commission to determine the appropriate balance for each utility between reducing costs and reducing reliability, and making this determination may require more time and process. Staff's Option (c) may reduce *litigation* costs but is unlikely to significantly reduce *interconnection* costs. Another option that could reduce the costs of interconnection for individual generators would be to implement policies that allow multiple generators to share the costs of interconnection upgrades.

3. **What is the best way to address the overlap between Hosting Capacity Analysis (HCA) discussions occurring in Distribution System Planning (DSP) and Staff's proposal for Group 1, which is to modernize the screens and other thresholds used in the interconnection study process which are used to identify the need for further study and/or major upgrades and modernize the upgrades that the studies identify. For example, Staff's original proposal is for DSP forums to continue to work on mapping/data transparency under current utility practices as well as the planning use case if DSP parties choose to dedicate DSP resources to continuing that work. Once Group 1 issues are resolved, those policies should be incorporated into transparency/mapping efforts under DSP and parties can explore in UM 2111 whether to use the interconnection use case HCA and maps as part of the interconnection process.**

PGE supports Staff's original proposal to continue to work on mapping/data transparency under current utility practices as well as the planning use case through DSP forums. PGE is committed to working with Staff and stakeholders to further refine Hosting Capacity Analysis in either Docket UM 2005 or Docket UM 2111.

4. **Do you support the Interconnection Trade Association suggestion that storage and advanced inverter issues should be deprioritized to accelerate discussion of Group 3 (or Group 4) issues? If so, please explain how the Group 3 (or Group 4) issues are better positioned to address root cause issues for broad generator types, will best enable the community and resiliency projects driven by state policy (including grants and incentives) and will best maximize decarbonization value through enabling smarter, flexible resources?**

No, PGE does not support the Interconnection Trade Association suggestion that storage and advanced inverter issues should be deprioritized to accelerate discussion of Group 3 (or Group 4) issues. Tackling the storage and advanced inverter issues early in Docket UM 2111 could be a "quick win." This topic is unlikely to be contested among stakeholders based on written comments and comments made in the workshop on March 9, 2022. Storage and moving to IEEE 1547-2018 could offer an alternative solution to alleviate constraints on the distribution system, which PGE has no ability to take advantage of today.

5. **How should the working group process [work,] and what can the working group do to facilitate resolution of contested issues?**

PGE suggests the same general structure that was employed in the Docket UM 2005 Distribution System Planning Investigation. Through this approach, the working group can be an effective way of educating and exchanging information among stakeholders and Staff. Once stakeholders reach a common understanding of the issues and concerns, then they can consider whether there is a consensus solution. As mentioned above, it will be important to create mutually agreed upon goals and "Operating Agreements" or "Rules of the Road" at the beginning of this docket to ensure conversations remain focused and

constructive. Additionally, Staff needs to be a strong facilitator and keep stakeholders focused on coming up with solutions rather than rehashing why the current rules do not meet stakeholders' needs or expectations. Issues that are contested are unlikely to be resolved without Staff involvement and may ultimately require Commission guidance as well.

6. **Do you support IREC's suggestion to switch from organizing our interconnection rules based on size and policy (e.g., Net Metering, SGIP, LGIP) to point of interconnection (distribution or transmission).**

PGE does not have a position at this time on IREC's suggestion, but PGE supports considering this suggestion further. PGE is happy to participate in a workshop with stakeholders and to hear about where this has been applied elsewhere and discuss how it could be applied in Oregon. PGE notes that the voltage at the point of interconnection would likely be a clearer demarcation point than the classification of assets as "distribution" versus "transmission," which can change over time for a particular utility and may vary between utilities.

7. **Which topics under the umbrella of Group 1 or Group 4 could be addressed without a Staff-led process? Is there another way to accelerate Group 3 or Group 4 issues without diverting resources from Group 1?**

While PGE is sympathetic to Staff's resource constraints, PGE does not currently support proceeding outside of a Staff-led process. As discussed above, Staff's involvement will likely be essential in resolving contested issues, and Staff may also be an important voice in the technical discussions among stakeholders. If there are issues in Group 1 that are not contested, then Staff and stakeholders should be able to address those issues quickly and then focus on other issues.

If Staff asks stakeholders to proceed without Staff, then PGE requests that Staff or the Commission provide very clear guideposts regarding the process, timeline, and goals. PGE also notes that participants other than Staff (including PGE) may have resource constraints that inhibit their ability to simultaneously address multiple issue groups.

Sincerely,



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