



**Portland General Electric Company**  
121 SW Salmon Street • Portland, Oregon 97204  
PortlandGeneral.com

October 12, 2015

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street, S.E.  
P.O. Box 1088  
Salem, OR 97308-1088

**RE: Advice No. 15-22, NEW Schedule 5 Direct Load Control Pilot Rider**

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rule (OAR) 860-022-0025, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18, with a requested effective date of **November 18, 2015**:

Twelfth Revision of Sheet No. 1-1  
Original Sheet No. 5-1  
Original Sheet No. 5-2  
Original Sheet No. 5-3  
Original Sheet No. 5-4

Portland General Electric (PGE) hereby submits Schedule 5, a two-year direct load control pilot rider with a participation cap of 5,000 residential customers. On June 23, 2015 the Commission approved the deferral of dollars associated with direct load control pilot and a pricing pilot in Order No. 15-203. PGE will file the pricing pilot tariff separately at a later date.

The direct load control pilot is a demand response program that enables customers to receive payments for allowing PGE to control the customer's Nest Learning Thermostat during three hour periods for reducing load during events such as when energy demand and energy prices are high. PGE will call from six to ten events per season in order to acquire data for useful pilot evaluation. PGE will provide pilot evaluations after each pilot year. The evaluations will be provided to the Commission about six months after each pilot year. Additional pilot details are contained in Schedule 5.

PGE will defer the pilot costs and seek recovery of the costs of this pilot and the pricing pilot after the first year of the pricing pilot.

To satisfy the requirements of OAR 860-022-0030(1), PGE provides the following responses:

This pilot does not affect customer bills. Participating customers receive a one-time payment of \$25 for signing up for the pilot. In addition, participating customers receive \$25 per event season. The payments are made by separate check.

Should you have any questions or comments regarding this filing, please contact Rob Macfarlane at (503) 464-8954.

Please direct all formal correspondence and requests to the following email address [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)

Sincerely,

A handwritten signature in black ink that reads "Karla Wenzel". The signature is written in a cursive, flowing style.

Karla Wenzel  
Manager, Pricing and Tariffs

Enclosures

**SCHEDULE 5  
DIRECT LOAD CONTROL PILOT RIDER**

**PURPOSE**

This direct load control pilot is a demand response option for eligible residential Customers. The direct load control pilot offers incentives to test smart thermostats that the Company can control during Direct Load Control Events while providing a customer override. The Company will provide advance notice to participating Customers for Direct Load Control Events. The pilot is expected to be conducted from December 1, 2015 through September 30, 2017.

**DEFINITIONS**

Central Air Conditioning – air conditioner tied into a central ducted forced air system.

Direct Load Control – a remotely controllable switch that allows the utility to operate an appliance, often by cycling. In terms of this pilot, direct load control allows the Company to change the set point or cycle the Customer's heating or cooling through the Customer's Nest thermostat in order to reduce the Customer's energy demand.

Direct Load Control Event – a three hour period of time in which the Company will provide direct load control.

Ducted Heat Pump – heat pump heating and cooling system hooked into a central ducted forced air system.

Electric Forced Air Heating – an electrical resistance heating system tied into a central ducted forced air system.

Event Notification – the Company will issue a notification of a Direct Load Control Event to participating Customers at least two hours prior to the event. Participating Customers must choose at least one method for receipt of notification. Notification methods may include email, text, or auto-dialer phone call. Notification may also be available on the Company's website. Once the Company issues a notification, a Direct Load Control Event will not be cancelled.

Event Season – the pilot has two event seasons: the Summer Event Season and the Winter Event Season.

Holidays – the following are holidays for purposes of the pilot: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas Day (December 25). If a holiday falls on a Saturday, the preceding Friday will be designated the holiday. If a holiday falls on a Sunday, the following Monday will be designated the holiday.

## SCHEDULE 5 (Continued)

### DEFINITIONS (Continued)

Summer Event Season – the summer event season includes the successive calendar months June through September.

Winter Event Season – the winter event season includes the successive calendar months December through February.

### AVAILABLE

In all territory served by the Company.

### APPLICABLE

Subject to selection by the Company, up to 5,000 eligible Residential (Schedule 7) Customers may elect to participate in the pilot. No more than 5,000 Customers may participate, regardless of eligibility. Customers will remain on Schedule 7 and will be eligible for the incentives described in this schedule.

### ELIGIBILITY

Eligible Customers must have a Network Meter. Customers must have a Nest Learning Thermostat connected to the internet and the heating or cooling system, all at the Customers' expense. To participate in the Winter Event Season, the Customer must have a Ducted Heat Pump or Electric Forced Air Heating. To participate in the Summer Event Season, the Customer must have Central Air Conditioning or a Ducted Heat Pump.

### DIRECT LOAD CONTROL EVENT

Direct Load Control Events occur for three consecutive hours. During those three hours the Customer may allow the Company to control their thermostat for the duration of the event. The Customer has the option not to participate by overriding via the thermostat. The Company initiates Direct Load Control Events with Event Notification. The Company will call Direct Load Control Events only in the following months: December, January, February, June, July, August, and September. Direct Load Control Events will not be called on weekends or Holidays. The Company will call no more than one Direct Load Control Event per day and no more than two days in succession. Reasons for calling events may include, but are not limited to: energy load forecasted to be in the top 1% of annual load hours, forecasted temperature above 90 or below 32, expected high generation heat rates and market power prices, and/or forecasted low or transitioning wind generation. However, for purposes of the pilot, the Company will call no fewer than six and no more than ten events per Event Season.

**SCHEDULE 5 (Continued)**

**ENROLLMENT**

The Customer enrollment period will begin prior to the term of the pilot. Service under this schedule will commence December 1, 2015. Unless this pilot is otherwise terminated, participating Customers will be enrolled for the entire pilot term.

**INCENTIVE**

Participating Customers receive a one-time payment \$25 for signing up for the direct load control pilot. In addition, Customers receive \$25 for each Event Season they participate. A Customer participating in all Event Seasons receives \$75 for the first pilot year and \$50 for the second pilot year. Incentives are paid to the Customer with a check. To receive payment for an Event Season, the Customer must participate in at least 50% of the event hours in that Event Season.

**SPECIAL CONDITIONS**

1. The Customer may terminate service under this pilot at the next regularly scheduled meter reading if the Customer provides the Company two weeks notice prior to the next regularly scheduled meter read date.
2. If a Customer is removed from the pilot, the Customer is not eligible for reenrollment during the pilot period.
3. If the participating Customer moves to a different residence, the Customer may continue participation if the new residence meets the eligibility requirements.
4. The Company will defer and seek recovery of all pilot costs not otherwise included in rates.
5. Customers on Schedule 6 are not eligible to participate in the direct load control pilot.
6. The Company is not responsible for any consequential, incidental, punitive, exemplary, or indirect damages to the participating Customer or third parties that result from AC Cycling or changing the thermostat set point.
7. The Company shall have the right to select the cycling schedule and the percentage of the Customer's heating or cooling systems to cycle at any one time, up to 100%, at its sole discretion.

**SCHEDULE 5 (Concluded)**

SPECIAL CONDITIONS (Continued)

8. The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular service associated with the Customer's Schedule 7 charges and associated charges.

**TERM**

This pilot begins December 1, 2015 and ends September 30, 2017 or when the Company has conducted the pilot for two Winter Event Seasons and two Summer Event Seasons.

**PORTLAND GENERAL ELECTRIC COMPANY  
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