

April 3, 2015

Public Utility Commission of Oregon Attn: Filing Center 3930 Fairview Industrial Drive SE P.O. Box 1088 Salem, OR 97308-1088

RE: Advice No. 15-10, Renewable Solar Option

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rules 860-022-0025 and 860-022-0030, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18, with a requested effective date of **August 3, 2015**:

Pursuant to OAR 860-038-0220(7), PGE requests an effective date four months from the date of this filing.

Fifth Revision of Sheet No. 7-2 Sixth Revision of Sheet No. 7-3 Third Revision of Sheet No. 7-4 Third Revision of Sheet No. 7-5 Original Sheet of Sheet No. 7-6 Fifth Revision of Sheet No. 32-2 Fifth Revision of Sheet No. 32-3 Seventh Revision of Sheet No. 32-4 Fourth Revision of Sheet No. 32-5 Fourth Revision of Sheet No. 32-6 Original Sheet of Sheet No. 32-7

The purpose of this filing is to implement a new portfolio option for PGE's residential and small commercial customers. The option, Renewable Solar, allows Customers the option to purchase Renewable Energy Credit (RECs) representing the renewable attributes from a PGE contracted Qualifying Facility solar project which puts its energy to PGE. For PGE customers, energy from this solar QF is coming into the grid as part of PGE's overall power mix. The RECs are purchased for the benefit of customers subscribing to this portfolio program and retired on behalf of those customers. From this vantage point, PGE views participating customers as receiving the energy in their cost of service mix from PGE, and the RECs separately purchased on their behalf as subscribing customers.

Participating customers pay \$5.00 per month per kW in addition to their standard cost of service charges. At the end of each year, PGE will provide individual results to the Customer, reporting how much the Customer's energy usage was offset by solar power. Consistent with other portfolio options, the solar option also includes the condition that a participating customer is required to participate for a minimum of 12 consecutive months. If approved, the Renewable Solar option joins PGE's other portfolio options: market based rate (Time of Use), renewable usage (Green Source), renewable fixed (Clean Wind), and habitat.

# Discussions at the Portfolio Options Committee

Under OAR 860-038-0220, the Portfolio Options Committee (POC) has the authority to recommend approval of new portfolio options. A PGE solar option was first discussed with the POC at its November 14, 2012 meeting, and also at the May 13, 2014 and September 30, 2014 meetings.

At the March 13, 2014 POC meeting, PGE presented its market research to demonstrate customer interest in: the subscription program in which customers would pay a monthly subscription for RECs obtained from a local solar project and a price of \$5.00 per month. The structure of the offering, when first discussed, involved a PGE owned utility scale solar project which would be built for the program. Given concerns expressed about PGE ownership, the complexity of a sale-leaseback transaction, and the RECs allocation, PGE restructured the offering to be based on a not-yet-constructed, local, solar QF that is contracting to put energy to PGE and separately sell the RECs to PGE for the portfolio program. PGE plans to obtain Green-e certification for the program. That is the basis of the initial offering. PGE's goal is to enroll 2,500 customers by mid-2016. In the event that the product is not fully subscribed, any unsubscribed RECs will be used for participating customers in the renewable usage portfolio option (Green Source).

If the program were fully subscribed, PGE would aim to own or contract with other new solar facilities to support program expansion.

At the May 13, 2014 POC meeting, the POC adopted the following resolution:

Recommend approval to develop a new, local, solar, REC-based voluntary renewable portfolio option product for PGE customers with specific details of the business and project structure to be scrutinized by the POC or PUC as appropriate.

In the four month period while this tariff filing is pending, PGE plans to present the reformulated renewable solar option to the POC for further discussion. This offered solar option has been placed on the POC's May 19, 2015 regular agenda for discussion.

Given that PGE is filing an entirely new voluntary tariff option for residential and small commercial customers, we provide the following information to satisfy OAR 860-022-0025(2):

- a) PGE proposes a voluntary program in which residential and small commercial customers may choose to pay \$5.00 per month to participate.
- b) All residential and small commercial customers, that meet creditworthiness requirements, are eligible to participate. It is unknown how many will choose this option.
- c) The grounds relied upon to support the offering are contained in this letter.

Should you have any questions or comments regarding this filing, please contact or Terri Bowman at (503) 464-8854.

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

Karla Wenzel

Manager, Pricing and Tariffs

**Enclosures** 

## MONTHLY RATE (Continued)

Renewable Portfolio Options (available upon enrollment in either Energy Charge option)

Renewable Usage Option	0.800	¢ per kWh in addition to Energy Charge	(C)
Renewable Fixed Option	\$2.50	per month per block	(C)
Renewable Solar Option	\$5.00	per kW in addition to Energy Charge	(N)
Renewable Habitat Adder <sup>(*)</sup>	\$2.50	per month	(C)

<sup>\*</sup> Only Customers who are enrolled in a Renewable Portfolio Option (Renewable Usage, Renewable Fixed or Renewable Solar Options described herein) may choose the Renewable Habitat Adder.

(C)

#### RENEWABLE PORTFOLIO OPTIONS

The Customer will be charged for the Renewable Portfolio Option in addition to all other charges under this schedule for the term of enrollment in the Renewable Portfolio Option.

#### Renewable Fixed Option

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The Company will purchase 200 kWhs of Renewable Energy Credits (RECs) and/or renewable energy per block enrolled in the Fixed Renewable Option. All RECs purchased under this option will come from new renewable resources.

(C)

The Company will also place \$1.50 of the amount received from Customers enrolled in the Fixed Renewable Option in a new renewable resources development and demonstration fund. Amounts in the fund will be disbursed by the Company to public renewable resource demonstration projects or projects which commit to supply energy according to a contractually established timetable. The Company will report to the Commission annually by April 1<sup>st</sup> for the preceding calendar year on collections and disbursements. The fund will accrue interest at the Commission-authorized rate for deferred accounts.

#### Renewable Usage Option

All amounts received from the Customer under the Renewable Usage Option less administrative fees will be used to acquire RECs and/or renewable energy all of which will come from new renewable resources. (T)

# RENEWABLE PORTFOLIO OPTIONS (Continued)

#### Renewable Solar Option

(N)

The Renewable Solar Option allows participating Customers, on a monthly basis, to support a PGE sponsored utility-scale solar power plant and its renewable attributes. The company will purchase 1 kW of the output and RECs from new solar facilities connected to the Company's electric grid per kW enrolled in the Renewable Solar Option.

In exchange for the Customer's payment of \$5.00/kW per month, the Customer receives the environmental attributes from a local utility-scale solar project and the utility-scale solar project produces 1kW of energy which flows into the grid. Typical purchases may range to the equivalent of a 1, 2, or 3-kW solar panel array. At the end of each year, PGE will provide individual results to the Customer, reporting how much the Customer's energy usage was offset by solar power and the carbon footprint reduction benefit received. The RECs purchased by the Customer will be retired on behalf of the Customer.

(N)

# Renewable Habitat Option Adder

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The Company will distribute \$2.50 per month as received from each Customer enrolled in the Habitat Option to a nonprofit agency chosen by the Company who will use the funds for habitat restoration.

Energy or RECs supporting the Renewable Portfolio Options will be acquired by the Company such that by March 31 of the succeeding year, the Company will have received sufficient RECs or renewable energy to meet the purchases by Customers. For the Renewable Fixed and Renewable Usage Options, the Company is not required to own renewables or to acquire

(C) (C)

energy from renewable resources simultaneously with Customer usage.

(N) (N)

For purposes of these options, renewable resources include wind generation, solar, biomass. low impact hydro (as certified by the Low Impact Hydro Institute) and geothermal energy sources used to produce electric power. All RECs will be Green-e certified by the Western Renewable Energy Generation Information System (WREGIS) beginning January 1, 2009.

(D) (C) Off-Peak

# **SCHEDULE 7 (Continued)**

# TIME OF USE PORTFOLIO OPTION (Whole Premises or Electric Vehicle (EV) Charging) On- and Off-Peak Hours\*

Summer Months (begins May 1st of each year)

On-Peak 3:00 p.m. to 8:00 p.m. Monday-Friday

Mid-Peak 6:00 a.m. to 3:00 p.m. and 8:00 p.m. to 10:00 p.m. Monday-Friday;

6:00 a.m. to 10:00 p.m. Saturday

Off-Peak 10:00 p.m. to 6:00 a.m. all days;

6:00 a.m. to 10:00 p.m. Sunday and Holidays\*\*

Winter Months (begins November 1st of each year)

On-Peak 6:00 a.m. to 10:00 a.m. and 5:00 p.m. to 8:00 p.m. Monday-Friday

Mid-Peak 10:00 a.m. to 5:00 p.m. and 8:00 p.m. to 10:00 p.m. Monday-Friday;

6:00 a.m. to 10:00 p.m. Saturday 10:00 p.m. to 6:00 a.m. all days;

6:00 a.m. to 10:00 p.m. Sunday and Holidays\*\*

# PLUG-IN ELETCRIC VEHICLE (EV) TOU OPTION

A Residential Customer wishing to charge EV's may do so either as part of whole premises service (Standard service or TOU service) or as a separately metered service billed under the TOU option. In such cases, the applicable Basic, Transmission and Related Services, and Distribution charges will apply to the separately metered service as will all other adjustments applied to this schedule (with the exception of the first 1000 kWh's block adjustment). Renewable Portfolio Options are also available under this EV option.

If the Customer chooses separately metered service for EV charging, the service shall be for the exclusive purpose of all EV charging. The Customer, at its expense, will install all necessary and required equipment to accommodate the second metered service at the premises. Such service must be metered with a network meter as defined in Rule B (30) for the purpose of load research, and to collect and analyze data to characterize electric vehicle use in diverse geographic dynamics and evaluate the effectiveness of the charging station infrastructure.

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<sup>\*</sup> The time periods set forth above will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April, and for the period between the last Sunday in October and the first Sunday in November. Customers with Network Meters will observe the regular daylight saving schedule.

<sup>\*\*</sup> Holidays are 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 Saturday, Friday is designated a TOU holiday. If a holiday falls on Sunday, the following Monday is designated a TOU holiday.

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#### **ADJUSTMENTS**

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Service under this schedule is subject to adjustments approved by the Commission. Adjustments include those summarized in Schedule 100.

#### **SPECIAL CONDITIONS**

# **Pertaining to Renewable Portfolio Options**

- Service will become effective with the next regularly scheduled meter reading date provided the Customer has selected the option at least five days prior to their next scheduled meter read date. Absent the five-day notice, the change will become effective on the subsequent meter read date. Service may be terminated at the next regularly scheduled meter reading provided the Company has received two weeks' notice prior to the meter read date. Absent the two-week notice, the termination will occur with the next subsequent meter reading date.
- 2. The Company, in its discretion, may accept enrollments on accounts that have a time payment agreement in effect, or have received two or more final disconnect notices. However, the Company will not accept enrollments on accounts that have been involuntarily disconnected in the last 12 months.
- 3. The Company will use reasonable efforts to acquire renewable energy, but does not guarantee the availability of renewable energy sources to serve Renewable Portfolio Options. The Company makes no representations as to the impact on the development of renewable resources or habitat restoration projects of Customer participation.

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4. Enrollment into the Renewable Solar Option, the customer agrees to participate for no less than 12 months.

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# Pertaining to Whole Premises and EV TOU Options

- 1. Service may be terminated at the next regularly scheduled meter reading provided the Company has received two weeks' notice prior to the meter read date. Absent the two week notice, the termination will occur with the next subsequent meter reading date.
- 2. Participation requires a one year commitment by the Customer. Generally, if a Customer requests removal from the TOU Option, the Customer will be required to wait 12 months before re-enrolling. However, a Customer may request to reinstate service within 90 days of termination, in which case the Portfolio Enrollment Charge will be waived.
- 3. The Customer must take service at 120/240 volts or greater.
- 4. The Customer must provide the Company access to the meter on a monthly basis

# **SCHEDULE 7 (Concluded)**

# Pertaining to Whole Premises and EV TOU Options (Continued)

- 5. After a Customer's initial 12 months of service on the TOU Option, the Company will calculate what the Customer would have paid under Standard Service and compare billings. If the Customer's Energy Charge billings (including all applicable supplemental adjustments) under the TOU Option exceeded Standard Service Energy Charge (including all applicable supplemental adjustments) by more than 10%, the Company will issue the Customer a refund for the amount in excess of 10% either as a bill credit or refund check. No refund will be issued for Customers not meeting the 12 month requirement.
- 6. The Company may recover lost revenue from the TOU Option through Schedule 105.
- 7. Billing will begin for any Customer on the next regularly scheduled meter reading date following the initialization meter reading made on a regularly scheduled meter reading date.
- 8. The Company may choose to offer promotional incentives, including but not limited to rebates or coupons.

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## MONTHLY RATE (Continued)

## Renewable Portfolio Options

(available upon enrollment in either

Energy Charge option)

Renewable Usage	0.800	¢ per kWh in addition to Energy Charge	(C)
Renewable Fixed	\$2.50	per month per block	(C)
Renewable Solar	\$5.00	per kW in addition to Energy Charge	(N)
Renewable Habitat Adder <sup>(*)</sup>	\$2.50	per month	(C)

<sup>\*</sup> Only Customers who are enrolled in a Renewable Portfolio Option (Renewable Usage or Renewable Fixed or Renewable Solar Portfolio Options described herein) may choose the Renewable Habitat Portfolio Option Adder. (C)

#### RENEWABLE PORTFOLIO OPTIONS

The Customer will be charged for the Renewable Portfolio Option in addition to all other charges under this schedule for the term of enrollment in the Renewable Portfolio Option.

#### Renewable Fixed Option

(C)

The Company will purchase 200 kWhs of Renewable Energy Credits (RECs) and/or renewable energy per block enrolled in the Fixed Renewable Option. All RECs purchased under this option will come from new renewable resources.

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The Company will also place \$1.50 of the amount received from Customers enrolled in the Fixed Renewable Option in a new renewable resources development and demonstration fund. Amounts in the fund will be disbursed by the Company to public renewable resource demonstration projects or projects which commit to supply energy according to a contractually established timetable. The Company will report to the Commission annually by April 1<sup>st</sup> for the preceding calendar year on collections and disbursements. The fund will accrue interest at the Commission-authorized rate for deferred accounts.

# Renewable Usage Option

All amounts received from the Customer under the Renewable Usage Option less administrative fees will be used to acquire TRCs and/or renewable energy all of which will come from new renewable resources.

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# RENEWABLE PORTFOLIO OPTIONS (Continued)

## Renewable Solar Option

(N)

The Renewable Solar Option allows participating Customers, on a monthly basis, to support a PGE sponsored utility-scale solar power plant and its renewable attributes. The company will purchase 1 kW of the output and RECs from new solar facilities connected to the Company's electric grid per kW enrolled in the Renewable Solar Option.

In exchange for the Customer's payment of \$5.00/kW per month, the Customer receives the environmental attributes from a local utility-scale solar project and the utility-scale solar project produces 1kW of energy which flows into the grid. Typical purchases may range to the equivalent of a 1, 2, or 3-kW solar panel array. At the end of each year, PGE will provide individual results to the Customer, reporting how much the Customer's energy usage was offset by solar power and the carbon footprint reduction benefit received. The RECs purchased by the Customer will be retired on behalf of the Customer.

# Renewable Habitat Adder

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The Company will distribute \$2.50 per month as received from each Customer enrolled in the Habitat Option to a nonprofit agency chosen by the Company who will use the funds for habitat restoration.

Energy or RECs supporting the Renewable Portfolio Options will be acquired by the Company such that by March 31 of the succeeding year, the Company will have received sufficient RECs or renewable energy to meet the purchases by Customers. For Renewable Fixed Option and Renewable Usage Option, the Company is not required to own renewables or to acquire energy from renewable resources simultaneously with Customer usage.

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For purposes of these options, renewable resources include wind generation, solar, biomass, low impact hydro (as certified by the Low Impact Hydro Institute) and geothermal energy sources used to produce electric power. All RECs will be Green-e certified by the Western

Renewable Energy Generation Information System (WREGIS) beginning January 1, 2009.

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#### TIME OF USE PORTFOLIO OPTION

#### On- and Off-Peak Hours\*

Summer Months (begins May 1st of each year)

On-Peak 3:00 p.m. to 8:00 p.m. Monday-Friday

Mid-Peak 6:00 a.m. to 3:00 p.m. and 8:00 p.m. to 10:00 p.m. Monday-Friday;

6:00 a.m. to 10:00 p.m. Saturday

Off-Peak 10:00 p.m. to 6:00 a.m. all days;

6:00 a.m. to 10:00 p.m. Sunday and Holidays\*\*

Winter Months (begins November 1st of each year)

On-Peak 6:00 a.m. to 10:00 a.m. and 5:00 p.m. to 8:00 p.m. Monday-Friday

Mid-Peak 10:00 a.m. to 5:00 p.m. and 8:00 p.m. to 10:00 p.m., Monday-Friday;

6:00 a.m. to 10:00 p.m. Saturday Off-Peak 10:00 p.m. to 6:00 a.m. all days;

6:00 a.m. to 10:00 p.m. Sunday and Holidays\*\*

#### **DAILY PRICE**

The Daily Price, applicable with Direct Access Service, is available to those Customers who were served under Schedule 532 and subsequently returned to this schedule before meeting the minimum term requirement of Schedule 532. The Customer will be charged the Daily Price charge of this schedule until the term requirement of Schedule 532 is met.

The Daily Price will consist of:

- the Intercontinental Exchange Mid-Columbia Daily on- and off-peak Electricity Firm Price Index (ICE-Mid-C Firm Index)
- plus 0.300 ¢ per kWh for wheeling
- times a loss adjustment factor of 1.0685

If prices are not reported for a particular day or days, the average of the immediately preceding and following reported days' on- and off-peak prices will be used to determine the price for the non-reported period. Prices reported with no transaction volume or as "survey-based" will be considered reported.

Peak hours are between 6:00 a.m. and 10:00 p.m. Monday through Saturday. Off-peak hours are between 10:00 p.m. and 6:00 a.m. Monday through Saturday and all day Sunday.

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<sup>\*</sup> The time periods set forth above will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April, and for the period between the last Sunday in October and the first Sunday in November. Customers with AMI meters will observe the regular daylight saving schedule.

<sup>\*\*</sup> Holidays are 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 Saturday, Friday is designated a TOU holiday. If a holiday falls on Sunday, the following Monday is designated a TOU holiday.

# PLUG-IN ELECTRIC VEHICLE (EV) TOU OPTION

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A small Nonresidential Customer wishing to charge EV's may do so either as part of an integrated service (Standard service or TOU service) or as a separately metered service billed under the TOU option. In such cases, the applicable Basic, Transmission and Related Services, and Distribution charges will apply to the separately metered service as will all other adjustments applied to this schedule. Renewable Portfolio Options are also available under this EV option.

If the Customer chooses separately metered service for EV charging, the service shall be used for the sole and exclusive purpose of all EV charging. The Customer, at its expense, will install all necessary and required equipment to accommodate the second metered service at the premises. Such service must be metered with a network meter as defined in Rule B (30) for the purpose of load research, and to collect and analyze data to characterize electric vehicle use in diverse geographic dynamics and evaluate the effectiveness of the charging station infrastructure.

#### **ADJUSTMENTS**

Service under this schedule is subject to adjustments approved by the Commission. Adjustments include those summarized in Schedule 100.

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#### **SPECIAL CONDITIONS**

# **Pertaining to Direct Access**

- Customers served under this schedule may at any time notify the Company of their intent to choose Direct Access Service. Notification must conform to the requirements established in Rule K.
- 2. Customers must enroll to receive service under any portfolio option. Customers may initially enroll or make one portfolio change per year without incurring the Portfolio Enrollment Charge as specified in Schedule 300.

#### **Pertaining to Renewable Portfolio Options**

Service will become effective with the next regularly scheduled meter reading date provided the Customer has selected the option at least five days prior to their next scheduled meter read date. Absent the five-day notice, the change will become effective on the subsequent meter read date. Service may be terminated at the next regularly scheduled meter reading provided the Company has received notice two weeks prior to the meter read date. Absent the two-week notice, the termination will occur with the next subsequent meter reading date.

# SPECIAL CONDITIONS (Continued)

- 2. The Company, in its discretion, may accept enrollments on accounts that have a time payment agreement in effect, or have received two or more final disconnect notices. However, the Company will not accept enrollments on accounts that have been involuntarily disconnected in the last 12 months.
- 3. The Company will use reasonable efforts to acquire renewable energy, but does not guarantee the availability of renewable energy sources to serve Renewable Portfolio Options. The Company makes no representations as to the impact on the development of renewable resources or habitat restoration projects of Customer participation.
- 4. Enrollment into the Rewable Solar Option, the customer agrees to participate for no less than 12 months.

# **Pertaining to TOU Option**

- 1. Service may be terminated at the next regularly scheduled meter reading provided the Company has received notice two weeks prior to the meter read date. Absent the two-week notice, the termination will occur with the next subsequent meter reading date.
- 2. Participation requires a one-year commitment by the Customer. Generally, if a Customer requests removal from the TOU Option, the Customer will be required to wait 12 months before re-enrolling. However, a Customer may request to reinstate service within 90 days of termination, in which case the Portfolio Enrollment Charge will be waived.

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- 3. The Customer must take service at 120/240 volts or greater. Single phase 2-wire grounded service is not eligible because of special metering requirements.
- 4. The Customer must provide the Company access to the meter on a monthly basis.
- 5. At the end of the Customer's first 12 months of service under the TOU Option, the Company will calculate what the Customer would have paid under Standard Service and compare billings. If the Customer's Energy Charge billings (including all applicable supplemental adjustments) under the TOU Option exceeded the Standard Service Energy Charge (including all applicable supplemental adjustments) by more than 10%, the Company will issue the Customer a refund for the amount in excess of 10% either as a bill credit or refund check. No refund will be issued for Customers not meeting the 12-month requirement.

# **SCHEDULE 32 (Concluded)**

# Pertaining to TOU Option (Continued)

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- 6. The Company will recover lost revenue from the TOU Option through Schedule 105.
- 7. Billing will begin for any Customer on the next regularly scheduled meter reading date following the initialization meter reading made on a regularly scheduled meter reading date.
- 8. The Company may choose to offer promotional incentives, including but not limited to rebates or coupons.

#### **TERM**

Service will be for not less than one year or as otherwise provided under this schedule.