



Portland General Electric
121 SW Salmon Street · Portland, Ore. 97204

June 8, 2020

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

RE: Advice No. 20-14, Schedule 300 Line Extension Allowance

Portland General Electric Company (PGE) submits this filing to the Public Utility Commission of Oregon (Commission) 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 **January 1, 2021**.

Seventh Revision of Sheet No. 300-5
Sixth Revision of Sheet No. 300-6

The purpose of this filing is to update and refine PGE's Rate Schedule 300 Residential Line Extension Allowance (LEA). PGE proposes to create two different categories for Residential LEAs. The first category is Residential Service All Electric, a dwelling where the primary heating is provided by an active electric Heating, Ventilation, and Air Conditioning (HVAC) system. The proposed LEA for this all-electric category is \$2,560 per dwelling/unit. The second category is Residential Service Primary Other, a dwelling where active primary heating is provided by an HVAC system using combustion furnaces fueled by natural gas, propane, oil, and biodiesel as well as all passive HVAC-system solutions. The proposed LEA for this other category is \$1,590.

There are several reasons for updating the Residential LEA. The current Residential LEA of \$1,623 per dwelling/unit has not been updated since July 27, 2011 and does not take into consideration the cost and benefits across different types of dwellings built within PGE's service territory. The existing flat LEA structure averaged new loads across residential building types and did not consider differences. The proposed LEA categories apply the cost/benefits fairly and appropriately depending on the end-use loads realized within each dwelling type, while keeping the administration efficient since it does not require custom calculations for every new construction project.

The new Residential LEA sets the amount at three times the annual and basic distribution charge revenues. The updated LEA amounts were calculated using industry estimated consumption for specific end-uses in residential new construction, drawing on data from the Northwest Power Council's Regional Technical Forum and the US Energy Information Administration's 2015 Residential Consumption Survey. The current Residential LEA of \$1,623 per dwelling/unit is calculated using four times the distribution and basic charge revenues, and has not been updated since 2011. If PGE were to request an update using the current Residential LEA calculation it would result in a request to raise the Residential LEA to \$2,120 per dwelling/unit.

PGE analyzed the impact of the proposed LEA categories on customers and builders who request new residential electric service. This analysis reviewed the work orders received for residential new construction between November 2014 and July 2019. New construction builders or customers paid PGE on average \$457 per dwelling/unit after the current \$1,623 LEA had been applied. If the proposed two categories for Residential LEA is adopted, customers would have paid, on average \$435 per dwelling/unit for Residential Primary Service Other and \$0 for Residential Service All Electric.

In addition, this filing supports Oregon's decarbonization policy by providing an incentive to electrify, and therefore, increasingly decarbonize residential load. As most recently articulated in Executive Order No. 20-04,¹ Governor Kate Brown calls for substantial reductions in greenhouse gas emissions (GHG) (i.e., reduce GHG emissions to 45% below 1990 levels by 2035) and there is urgency to act now as they "present a significant threat to Oregon's public health, economy, safety, and environment" and "the transition from fossil fuels to cleaner energy resources can significantly reduce emissions and increase energy security and the resilience of Oregon communities in the face of climate change." PGE is fully invested in furthering Oregon's decarbonization goals where our decarbonization strategy includes investing in clean, renewable energy and green technologies, and offering innovative product options to customers who want to go further and faster to meet their decarbonization goals. Providing a new structure for PGE's LEA, supports residential customers decarbonizing their loads and supports both Oregon's and PGE's decarbonization goals.

Work papers supporting the LEA calculations are attached.

To satisfy the requirements of OAR 860-022-0025(2), PGE provides the following responses:

OAR 860-022-0025 requires that PGE submit a statement of the tariff schedule change, the number of customers affected, the change in revenue, and the grounds supporting the change. The number of customers affected is unknown and this doesn't increase or decrease customer prices.

¹ Brown, Kate. "Executive Order No. 20-04." Office of the Governor. State of Oregon. 10 Mar 2020, page 8. Retrieved from <https://drive.google.com/file/d/16isIO3GTqxVihqhhlcjGYH4Mrw3zNNXw/view>

Please direct any questions regarding this filing to Chris Pleasant at (503) 464-2555.

Please direct your communications related to this filing to the following email address:
pge.opuc.filings@pgn.com.

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing & Tariffs

Enclosures

SCHEDULE 300 (Continued)

LINE EXTENSIONS (Rule I)

Line Extension Allowance (Section 1)⁽¹⁾

Residential Service All Electric ⁽²⁾	\$2560.00 / dwelling unit	(C)
Residential Service Primary Other ⁽³⁾	\$1590.00 / dwelling unit	(N)
Schedule 32	\$0.1473 / estimated annual kWh	
Schedules 38 and 83	\$0.0780 / estimated annual kWh	
Schedules 85 and 89 Secondary Voltage Service	\$0.0531 / estimated annual kWh	
Schedules 85 and 89 Primary Voltage Service	\$0.0264 / estimated annual kWh	
Schedules 15, 91 and 95 Outdoor Lighting	\$0.0850 / estimated annual kWh	
Schedule 92 Traffic Signals	\$0.0531 / estimated annual kWh	
Schedules 47 and 49	\$0.0336 / estimated annual kWh	

Trenching or Boring (Section 2)

Trenching and backfilling associated with Service Installation except where General Rules and Regulations require actual cost.

In Residential Subdivisions:

Short-side service connection up to 30 feet	\$ 100.00
Otherwise:	
First 75 feet or less	\$ 219.00
Greater than 75 feet	\$ 3.80 /foot

Mainline trenching, boring and backfilling Estimated Actual Cost

Lighting Underground Service Areas⁽⁴⁾

Installation of conduit on a wood pole for lighting purposes	\$ 75.00 per pole	(T)
		(M)

- (1) Estimated annual kWh values used to calculate non-Residential Customer line extension allowances do not reflect onsite generation.
- (2) Residential All Electric Service is a dwelling where the primary heating is provided by an active electric HVAC-system. Common qualifying system include but are not limited to stand-alone ducted heat pumps, ducted heat pumps with auxiliary electric resistant heat strips, ductless mini-splits, packaged terminal air conditioners, electric resistant baseboards, as well as electric resistant in-wall heaters.
- (3) Residential Service Primary Other is a dwelling where the primary heating source is provided by an alternative HVAC-system that uses heating fuels such as natural gas, propane, oil, and biodiesel. Common qualifying HVAC-systems include but are not limited to stand-alone combustion furnaces, combustion furnaces with air conditioners, combustion furnaces with heat pumps, as well as gas boilers. Dwellings heated primarily by passive means also fall into this category.
- (4) Applies only to 1-inch conduit without brackets.

SCHEDULE 300 (Concluded)

LINE EXTENSIONS (Rule I) Continued

(M)

Additional Services (Section 3)
(applies solely to Residential Subdivisions in Underground Service Areas)

Service Guarantee	\$ 100.00
Wasted Trip Charge	\$ 100.00
Service Locate Charge	\$ 30.00
Long-Side Service Connection	\$ 120.00

(M)

SERVICE OF LIMITED DURATION (Rule L)

Standard Temporary Service

Service Connection Required:

No permanent Customer obtained	\$795.00
Permanent Customer obtained	
Overhead Service	\$490.00
Underground Service	\$450.00
Existing service	\$260.00

Enhanced Temporary Service

Fixed fee for 12-month period	\$430.00
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Temporary Area Lights

Estimated Actual Cost⁽¹⁾

(T)

PGE TRAINING

Educational and Energy Efficiency (EE) training available to:

PGE Business Customer	No Charge ⁽²⁾
Non-PGE Business Customer	Estimated Actual Cost ⁽³⁾

(T)

(T)

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- (1) Based on install, removal and energy for pole and luminaire. Energy will be calculated based on burning hours used for Option C Schedule 91, 95 (T)
 - (2) Charges may be assessed for training courses registered through the states of Oregon and Washington for electrical licensees. (T)
 - (3) Based on the cost associated with instructor, facility, food, and materials per attendee. (T)