



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

October 10, 2018

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

**RE: Advice No. 18-12, Energy Payment Update for Schedule 26 Nonresidential Demand Response Pilot Program**

Portland General Electric Company (PGE or Company) 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 1, 2018**:

First Revision of Sheet No. 26-5  
First Revision of sheet No. 26-6  
Second Revision of Sheet No. 26-7  
Second Revision of Sheet No. 26-8

The purpose of this filing is to update the Firm Energy Payments made to customers, voluntarily responding to demand response in Schedule 26 that will be effective on November 1<sup>st</sup>. PGE is also changing the annual filing month from December 1<sup>st</sup> to October 1<sup>st</sup> to avoid an overlap next year. Clarifying language is being added concerning holidays. In addition, minor clarification to the Special Conditions which also results in renumbering and pagination changes.

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

The Schedule 26 Firm Energy Reduction Payment referenced fuel costs are updated based on the 2018 forward market gas prices contained in the UE 335, 2019 General Rate Case. The change in Company revenues for Schedule 26 is de minimis. This filing changes demand response payments made to customers. There are months in which the customer energy payment increases and others in which it decreases. Schedule 26 has approximately 83 accounts that will be impacted by the energy payment change.

As a courtesy, a redline version of the proposed changes is attached for your convenience.

Due to the requested effective date and the less than 30-day notice, PGE is also submitting an application requesting a waiver of legal statutory notice, pursuant to ORS 757.220 and OAR 860-022-0020.

Should you have any questions or comments regarding this filing, please contact Kalia Savage at (503) 464-7432.

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

Sincerely,



Karla Wenzel  
Manager, Pricing and Tariffs

Enclosures

# LESS THAN STATUTORY NOTICE APPLICATION

This document may be electronically filed by sending it as an attachment to an electronic mail message addressed to the Commission's Filing Center at [puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us).

## BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION OF  <u>Portland General Electric Company</u> (UTILITY COMPANY)  TO WAIVE STATUTORY NOTICE.	) ) ) )	UTILITY L.S.N. APPLICATION  NO. _____ (LEAVE BLANK)
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**NOTE:** ATTACH EXHIBIT IF SPACE IS INSUFFICIENT.

1. GENERAL DESCRIPTION OF THE PROPOSED SCHEDULE(S) ADDITION, DELETION, OR CHANGE. (SCHEDULE INCLUDES ALL RATES, TOLLS AND CHARGES FOR SERVICE AND ALL RULES AND REGULATIONS AFFECTING THE SAME)  
 The purpose of Advice Filing 18-12, is to update the Firm Energy Payments made to customers, voluntarily responding to demand response in Schedule 26 that will be effective on November 1st. PGE is also changing the annual filing month from December 1st to October 1st to avoid an overlap next year. Clarifying language is being added concerning holidays. In addition, minor clarification to the Special Conditions which also results in renumbering and pagination changes.

2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)  
 Original Sheet No. 26-5  
 Original Sheet No. 26-6  
 First Revision of Sheet No. 26-7  
 First Revision of Sheet No. 26-8

3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM)  
 First Revision of Sheet No. 26-5  
 First Revision of sheet No. 26-6  
 Second Revision of Sheet No. 26-7  
 Second Revision of Sheet No. 26-8

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:  
 A Waiver of Statutory Notice is requested due to the requested effective date of November 1, 2018

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S):    November 1, 2018

. AUTHORIZED SIGNATURE 	TITLE Manager, Pricing & Tariffs	DATE October 10, 2018
PUC USE ONLY		
<input type="checkbox"/> APPROVED <input type="checkbox"/> DENIED	EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE	
AUTHORIZED SIGNATURE	DATE	

**SCHEDULE 26 (Continued)**

**ENERGY PAYMENTS**

The Energy Payment is the Mid-Columbia Electricity Index (Mid-C) as reported by the Powerdex, adjusted for losses based on the Customer's delivery voltage. The Firm Energy Reduction Amount can be up to 120% of the commitment.

The monthly energy prices (per MWh) for the months in which the events are called, excluding Saturdays, Sundays, and holidays\*, are:

Nov 2018	Dec 2018	Jan 2019	Feb 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019
\$25.75	\$31.25	\$31.25	\$26.25	\$15.64	\$28.94	\$32.52	\$30.04

The Firm Energy Reduction Payment rates will be updated annually by October 1<sup>st</sup> for the next calendar year beginning in November. Evaluation and settlement of the Firm Energy Reduction Payment will occur within 60 days of the Firm Load Reduction Event.

\* Holidays are New Year's Day (January 1), President's Day (third Monday of February), 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 holiday. If a holiday falls on Sunday, the following Monday is designated a holiday.

**LINE LOSSES**

Losses will be included by multiplying the applicable price by the following adjustment factors:

Subtransmission Delivery Voltage	1.0356
Primary Delivery Voltage	1.0496
Secondary Delivery Voltage	1.0685

**LOAD REDUCTION MEASUREMENT**

Load Reduction is measured as a reduction of Demand from a Customer Baseline Load calculation during each hour of the Load Reduction Event. Although the Firm Load Reduction Agreement shall specify the Customer Baseline Load calculation methodology to be used, PGE generally uses the following baseline methodology:

Baseline Load Profile

The Baseline Load Profile is based upon the average hourly load of the five highest load days in the last ten Typical Operational Days for the Event period. For Customers choosing the four-hour or 10-minute notification options there is an adjustment to the amounts above to reflect the day-of operational characteristics leading up to the Event if the Event starts at 11 am or later. This adjustment is the difference between the Event day load and the average load of the five highest days used in the load profile above during the two-hour period ending four hours prior to the start of the Event.

(C)

(C)

(T)

## SCHEDULE 26 (Continued)

### LOAD REDUCTION MEASUREMENT (Continued)

#### Typical Operational Days

Typical Operational Days exclude days that a Customer has participated in a Firm Load Reduction Event or pre-scheduled opt-out days as defined in the Special Conditions. Typical Operational Days for the baseline calculation are defined as the ten applicable days closest to the Load Reduction Event. Typical Operational Days may include or exclude Saturdays, Sundays and Western Electricity Coordinating Council (WECC) holidays.

(C)  
(C)

The Company may decline the Customer's enrollment application when the Company determines the Customer's energy usage is highly variable and the Company is not able to verify that a reduction will be made when called upon.

### FIRM ENERGY REDUCTION

The Firm Energy Reduction amount is the difference between the Customer's Baseline Energy profile and the Customer's measured hourly energy usage during the Load Reduction Event.

### LOAD REDUCTION EVENT

The Company, at its discretion, initiates a Load Reduction Event by providing the participating Customer with the appropriate notification consistent with the Customer's selected Firm Load Reduction Option. The Customer reduces its Demand served by the Company, for each hour of the Load Reduction Event to achieve its Committed Load Reduction. Each load reduction event will last from one to five hours in duration. For pilot purposes, the Company will call at least one event per season.

The Company initiates Load Reduction Events during January, February, June, July, August, September, November, and December.

### EVENT NOTIFICATION

The Company notifies the participating Customer of a Load Reduction Event using a mutually agreed upon method at the time of enrollment. The Company's notification includes a time and date by which the Customer must reduce the committed Demand for each period of the Load Reduction Event.

The Customer is responsible to notify the Company if the Customer's contact information specified at the time of the enrollment changes as soon as such change occurs.

### FIRST-TIME PARTICIPANT OPTIONAL COMMISSION TEST

A commissioning test is available to Customers who are participating on this schedule for the first time. Interested participants will work with the Company to learn the details of this process.

**SCHEDULE 26 (Continued)**

**SPECIAL CONDITIONS**

1. Customers cannot use on-site diesel, pipeline natural gas or propane or other carbon emitting generation equipment for load reductions to meet load reduction commitments under this tariff. (C)
2. Customers that choose to take service under Schedules 86, 485, 489, 490, 532, 538, 549, 575, 583, 585, 589, or 590 will be withdrawn from this program.
3. Firm Load Reduction by Schedule 75 Customers will not exceed the Customer's Baseline Demand as specified in the written service agreement between the Customer and the Company. Customer cannot use purchases under Schedule 76 to meet load reduction commitments under this tariff. In the case of Customers participating on Schedule 76R – Partial Requirements Economic Replacement Power Rider – at the time of the event, the energy imbalance will not apply during event hours and for the event energy amount.
4. The Company is not responsible for any consequences to the participating Customer that results from the Firm Load Reduction Event or the Customer's effort to reduce Energy in response to a Firm Load Reduction Event.
5. This tariff is not applicable when the Company requests or initiates Load Reduction affecting a Customer SPID under system emergency conditions described in Rule N or Rule C(2)(B).
6. The Company will not cancel or shorten the duration of a Firm Reduction Event once notification has been provided.
7. Participating Customers are required to have interval metering and meter communication in place prior to initiation of service under this schedule. The Company will provide and install necessary equipment which allows the Company and the Customer to monitor the Customer's energy usage. (D)  
(T)
8. If the Customer experiences operational changes or a service disconnection that impairs the ability of the customer to provide the Firm Load Reduction as requested under this schedule, the agreement will be terminated. (T)
9. If the Company is not allowed to recover any costs of this program by the Commission, the Company may at its option terminate service under this agreement with 30-day notice. (T)

**SCHEDULE 26 (Concluded)**

SPECIAL CONDITIONS (Continued)

10. The Customer may pre-schedule four opt-out days per season as indicated in the Agreement. (T)  
If the Company calls a Load Reduction Event on a pre-scheduled opt-out day, the Customer is exempt from providing load reduction and receives no Firm Energy Reduction Payment, whether or not they choose to operate. The Customer will receive the Reservation payment if otherwise eligible. An opt-out day will not be included in the calculation of the Baseline Demand Profile.
11. Customers who opt for this Schedule may be placed on a calendar monthly billing cycle. (T)

**TERM**

This pilot term is December 1, 2017 through September 30, 2020.

PGE Advice No. 18-12  
Redline Version of Schedule 26



**SCHEDULE 26 (Continued)**

**ENERGY PAYMENTS**

The Energy Payment is the Mid-Columbia Electricity Index (Mid-C) as reported by the Powerdex, adjusted for losses based on the Customer's delivery voltage. The Firm Energy Reduction Amount can be up to 120% of the commitment.

The monthly energy prices (-per MWh) for the months in which the events are called, excluding Saturdays, Sundays, and holidays\*, energy per MWh are:

Nov 20187	Dec 20187	Jan 20198	Feb 20198	Jun 20198	Jul 20198	Aug 20198	Sep 20198
\$25.75	\$36.30	\$29.88	\$27.99	\$18.17	\$26.02	\$29.24	\$27.01
29.95	\$31.25	31.25	26.25	\$15.64	\$28.94	\$32.52	\$30.04

The Firm Energy Reduction Payment rates will be updated annually by ~~December~~ October 1<sup>st</sup> for the next calendar year beginning in November. Evaluation and settlement of the Firm Energy Reduction Payment will occur within 60 days of the Firm Load Reduction Event.

\* Holidays are New Year's Day (January 1), President's Day (third Monday of February), 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 holiday. If a holiday falls on Sunday, the following Monday is designated a holiday.

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Losses will be included by multiplying the applicable price by the following adjustment factors:

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**LOAD REDUCTION MEASUREMENT**

Load Reduction is measured as a reduction of Demand from a Customer Baseline Load calculation during each hour of the Load Reduction Event. Although the Firm Load Reduction Agreement shall specify the Customer Baseline Load calculation methodology to be used, PGE generally uses the following baseline methodology:

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## SCHEDULE 26 (Continued)

### LOAD REDUCTION MEASUREMENT (Continued)

#### Typical Operational Days

Typical Operational Days exclude days that a Customer has participated in a Firm Load Reduction Event or pre-scheduled opt-out days as defined in the Special Conditions. Typical Operational Days for the baseline calculation are defined as the ten applicable days closest to the Load Reduction Event. Typical Operational Days may include or exclude Saturdays, Sundays and Western Electricity Coordinating Council (WECC) holidays.

The Company may decline the Customer's enrollment application when the Company determines the Customer's energy usage is highly variable and the Company is not able to verify that a reduction will be made when called upon.

### FIRM ENERGY REDUCTION

The Firm Energy Reduction amount is the difference between the Customer's Baseline Energy profile and the Customer's measured hourly energy usage during the Load Reduction Event.

### LOAD REDUCTION EVENT

The Company, at its discretion, initiates a Load Reduction Event by providing the participating Customer with the appropriate notification consistent with the Customer's selected Firm Load Reduction Option. The Customer reduces its Demand served by the Company, for each hour of the Load Reduction Event to achieve its Committed Load Reduction. Each load reduction event will last from one to five hours in duration. For pilot purposes, the Company will call at least one event per season.

The Company initiates Load Reduction Events during January, February, June, July, August, September, November, and December.

### EVENT NOTIFICATION

The Company notifies the participating Customer of a Load Reduction Event using a mutually agreed upon method at the time of enrollment. The Company's notification includes a time and date by which the Customer must reduce the committed Demand for each period of the Load Reduction Event.

The Customer is responsible to notify the Company if the Customer's contact information specified at the time of the enrollment changes as soon as such change occurs.

### FIRST-TIME PARTICIPANT OPTIONAL COMMISSION TEST

A commissioning test is available to Customers who are participating on this schedule for the first time. Interested participants will work with the Company to learn the details of this process.

**SCHEDULE 26 (Continued)**

**SPECIAL CONDITIONS**

1. Customers cannot use on-site diesel, pipeline natural gas or propane or other carbon emitting generation equipment for load reductions to meet load reduction commitments under this tariff.
2. Customers that choose to take service under Schedules 86, 485, 489, 490, 532, 538, 549, 575, 583, 585, 589, or 590 will be withdrawn from this program.
3. Firm Load Reduction by Schedule 75 Customers will not exceed the Customer's Baseline Demand as specified in the written service agreement between the Customer and the Company. Customer cannot use purchases under Schedule 76 to meet load reduction commitments under this tariff. In the case of Customers participating on Schedule 76R – Partial Requirements Economic Replacement Power Rider – at the time of the event, the energy imbalance will not apply during event hours and for the event energy amount.
4. The Company is not responsible for any consequences to the participating Customer that results from the Firm Load Reduction Event or the Customer's effort to reduce Energy in response to a Firm Load Reduction Event.
5. This tariff is not applicable when the Company requests or initiates Load Reduction affecting a Customer SPID under system emergency conditions described in Rule N or Rule C(2)(B).
6. The Company will not cancel or shorten the duration of a Firm Reduction Event once notification has been provided.
- ~~7. The Company will file any adjustment to the Reservation Rate by August 1<sup>st</sup> for the next program year.~~
- ~~8.7.~~ Participating Customers are required to have interval metering and meter communication in place prior to initiation of service under this schedule. The Company will provide and install necessary equipment which allows the Company and the Customer to monitor the Customer's energy usage.
- ~~9.8.~~ If the Customer experiences operational changes or a service disconnection that impairs the ability of the customer to provide the Firm Load Reduction as requested under this schedule, the agreement will be terminated.
- ~~10.9.~~ If the Company is not allowed to recover any costs of this program by the Commission, the Company may at its option terminate service under this agreement with 30-day notice.

**SCHEDULE 26 (Concluded)**

SPECIAL CONDITIONS (Continued)

~~41.10.~~ The Customer may pre-schedule four opt-out days per season as indicated in the Agreement. If the Company calls a Load Reduction Event on a pre-scheduled opt-out day, the Customer is exempt from providing load reduction and receives no Firm Energy Reduction Payment, whether or not they choose to operate. The Customer will receive the Reservation payment if otherwise eligible. An opt-out day will not be included in the calculation of the Baseline Demand Profile.

~~42.11.~~ Customers who opt for this Schedule may be placed on a calendar monthly billing cycle.

**TERM**

This pilot term is December 1, 2017 through September 30, 2020.