

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**AR 599**

In the Matter of  
  
PORTLAND GENERAL ELECTRIC  
COMPANY  
  
Transportation Electrification (TE)  
Rulemaking

REPLY COMMENTS OF PORTLAND  
GENERAL ELECTRIC

Portland General Electric Company (“PGE”) submits these comments in response to the proposed AR 599 Transportation Electrification (“TE”) rule as filed with the Secretary of State on July 13, 2016, as well as in response to written comments submitted by ChargePoint and PacifiCorp on August 19, 2016. The rule implements SB 1547 (2016) which directs the PUC to prescribe the form and manner of applications for programs to accelerate TE. Prior to the rule’s publication by the Secretary of State, OPUC staff held an informal workshop and invited written comments on a draft rule. PGE appreciates the hard work and diligence of Staff in creating the proposed rule, and looks forward to continued collaboration with all stakeholders in the Transportation Electrification rulemaking process.

More specifically, PGE’s comments are intended to address the following themes found in the comments of stakeholders: flexibility in program and portfolio proposals, and promoting competition, innovation, and customer choice.

**I. Structure of Proposed Rule**

Staff has conducted a thorough and engaging stakeholder process which has yielded a proposed rule that effectively challenges utilities to meet a high standard while allowing flexibility in program design and Commission discretion in plan approval. PGE finds the proposed rule to be well crafted and largely reasonable. The Company recommends the following additional considerations regarding the current proposed requirements:

860-087-0010 – Definitions

PGE largely agrees with this section of the proposed rule. However, we support PacifiCorp's suggestion to replace "transportation electrification framework" with "plan" in definition (2).

860-087-0020 – TE Plan

Subsection (5): PGE agrees with Staff's recommendation that the utilities submit an updated Transportation Electrification Plan every two years in conjunction with the Smart Grid Report ("SGR") process (pursuant to UM 1460, Order No. 12-158) rather than the Integrated Resource Plan ("IRP"). PGE's SGR already includes a discussion of transportation electrification, customer benefits, and grid benefits (including electrical system efficiencies and the ability to integrate variable generating resources). During the informal workshop, stakeholders who are not regular participants in PUC matters expressed concerns about participating in the IRP, given its complexity, the number of issues involved, and lengthy processes. The SGR process offers easier access for stakeholder input focused on the Transportation Electrification Plan; the SGR has fewer issues and therefore can find more time and space for a thorough discussion of transportation electrification. Moreover, the SGR process, given its more limited focus, can be more easily accessed by stakeholders unfamiliar and unaccustomed to the more extensive IRP processes.

PGE does, however, recognize that the outcome of the TE planning efforts should feed into the IRP, where relevant. Increased load projections from anticipated EV growth are already IRP inputs and will continue to be inputs in PGE's load forecast. Additionally, PGE anticipates that plans that might affect our long-term resource portfolio (e.g. demand response or vehicle to grid) will provide inputs to the IRP as appropriate.

Transportation electrification interacts with – and apart from – the IRP in a similar way to how energy efficiency interacts with the IRP today. Efficiency is an important – and debated – aspect to both load and resource planning for the IRP. Efficiency, however, is also planned separately from the IRP through separate processes with the OPUC. By treating transportation electrification similarly, the Commission maximizes stakeholder opportunity to consider and comment on utility plans.

### 860-087-0030 – TE Programs

Subsection (3) – Program Applications Outside of Plans: PGE supports the language in the proposed rule and the intent conveyed on page 10 of ChargePoint’s comments. We view this flexibility to propose TE programs outside of the two year update cycle – provided the proposed programs support the objectives of the acknowledged plan – as necessary to effectively respond to the rapidly evolving transportation electrification market.

### 860-087-0040 – Reporting Requirements

In subsection (B) of 860-087-0040, the proposed rule states that a program reporting requirement is for utilities to show how the program has “Stimulated innovation, competition, and customer choice...”

On page 5, paragraph 2 of Chargepoint’s comments – regarding evaluation of success – ChargePoint asks the Commission to “evaluate the success of the utilities’ programs based in part on the diversity of charging product offerings, the number of vendors providing charging equipment, whether the market has continued to innovate, and whether competition has continued to drive affordability and access for customers.” PGE strongly recommends that any evaluation of program success based on innovation, competition, and customer choice be made based on how the utility structured the program up-front to promote those factors, not a post-hoc analysis of overall marketplace health. Transportation electrification is a rapidly changing and evolving landscape, and tying program success to factors such as “the number of vendors providing charging equipment” is potentially introducing variables that the utilities may have some influence over, but no actual control. PGE supports the reporting requirements as written in the proposed rule (860-087-0040 (1)(h)(B)), and encourages the Commission to continue to tie utility success in promoting innovation, competition, and customer choice to factors that are controllable by the utility.

On page 9 of their comments – regarding program evaluation – ChargePoint advocates for an “up-front” review of utility program proposals, stating in part “... the Commission should consider the

cost-effectiveness of each utility program proposal up-front when it evaluates the utilities' applications – along with these other criteria – and not after-the-fact.” PGE finds this view reasonable and suggests that an addition be made to the proposed rule 860-087-0030(1)(f) to reflect that the Commission will indicate to the utility at the time the application is approved what limits, if any, the utility can apply to the evaluation process.

The Company is appreciative of the opportunity to provide comments on the proposed rule, and we look forward to continuing to work with all stakeholders to accelerate transportation electrification in the State of Oregon.

Dated this 8<sup>th</sup> day of September, 2016



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