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January 5, 2022

Public Utility Commission of Oregon
Attention: Chair Megan Decker
Commissioner Letha Tawney
Commissioner Mark Thompson
P.O. Box 1088
Salem, OR 97308-1088

Via Electronic Filing

Re: UM 1930 Requested Action Concerning Unregulated, Consolidated Billing within the Community Solar Program

Dear Chair Decker, Commissioner Tawney, and Commissioner Thompson:

Portland General Electric Company (PGE) writes this letter to bring to the Commission's attention the use of unregulated consolidated billing within the Community Solar Program (CSP). PGE believes that the PUC loses regulatory oversight into the marketing and billing practices of the third party once a customer is opted in to consolidated billing. We request that the Commission ban the use of this model within the CSP.

In late June 2021 we were informed that Solar Town, a developer within the CSP, had contracted with Common Energy, a New York-based marketing firm, to acquire subscribers. Customers who join CSP via Common Energy lose direct bill communication with PGE and instead receive future PGE invoices repackaged within Common Energy marketing materials. PGE's understanding of Common Energy's consolidated billing model is as follows:

- The PGE customer authorizes the third-party marketer to act as their billing agent and provides the third party with their online utility account login. The third party then logs in and changes the customer's personal email address to an email address with the third party.
- When the third party receives the customer's PGE bill, it is repackaged within the third party's communications and letterhead.
- In many instances, the customer's email address is lost to the utility.
- Common Energy customer sales reps do not know the details of what happens to customer information and whether, as with other third-party billing models PGE is familiar with,
 - The third party will remove the customer's phone number, or
 - The customer must contact Common Energy to regain access to PGE's payment portal.¹
- Loss of customer contact information has significant consequence: PGE relies upon customer email and phone numbers for essential communications such as proactive outage alerts, proactive Public Safety Power Shutoff notifications, notice when power has been restored, notices if a bill is past due or at risk of disconnection for non-payment, etc.

¹ PGE has not received requested return calls from Common Energy to better understand the billing model.

We have received over 100 customer calls to our Call Center conveying significant customer confusion and anxiety resulting from the door-to-door marketing activity of Common Energy and its affiliates. Customers are not informed that they can access the CSP program and its savings without going through a third-party bill consolidator. Beyond this basic misrepresentation of the CSP, customer calls repeatedly report the following regarding both Common Energy and its affiliate marketers:

- False representation of PGE affiliation and unwillingness to share the name of the firm for which sales representatives work
- Claims that PGE has “withheld” CSP savings from customers, and that PGE owes certain customers the savings that the CSP subscriptions entail
- Claims that customers qualify for the CSP because of their location on the grid
- Lack of disclosure of the program’s low-income option and appropriate income vetting (this option provides both greater savings and greater consumer protections)

We have provided OPUC Staff and CSP Program Administrator access to a sample of 20 recorded customer calls reflecting these concerns and sent a cease-and-desist letter to Common Energy on August 24 to address the concern over false marketing practices. Common Energy responded that its sales reps do not wear PGE branded clothing, and the remainder of its false marketing claims have gone unaddressed.

It is imperative that the Commission act now to ban unregulated consolidated billing within the CSP to minimize disruption to customers and CSP projects.

The Program Administrator has directed the Project Manager to seek approval of unregulated consolidated billing when its projects are ready for final certification, likely in April. At that point the projects will be substantially subscribed, and the customer experience will be confusing and delayed at best. Acting now to re-orient the single Project Manager who has contracted with Common Energy will minimize disruption to both projects and customers seeking to participate in CSP.

Immediate action by the Commission is also necessary to provide clear direction to the many waitlisted projects awaiting pre-certification within the program’s second tier. Arcadia, which also utilizes unregulated, consolidated billing, is now advertising a waitlist for Oregon Community Solar Program subscriptions. We do not know the names or number of projects that have teamed with Arcadia. Tier two projects will be pre-certified and approved to sign subscriber contracts as early as February 2022.

CSP Billing and Commission Rules

Commission rules exercise significant oversight of the utility bill; they identify the utility bill as the central vehicle for assessing and remitting fees for CSP and direct Project Managers to use the Commission approved on-bill payment method. The enabling legislation, SB 1547, requires consolidated utility billing based on national best practices. PGE has invested two years and significant customer dollars to integrate CSP billing.²

² SB 1547 Enrolled, Section 22(6) directs that the electric company credit an owner or subscriber’s bill for the electricity generated by a community solar project for an owner or subscriber. The start up costs to enable this, are recovered from all customers. The CSP rules require the electric companies to develop an on-bill payment model that assesses and remits ownership and subscription fees, fees owed to the Program Administrator and Low Income Facilitator, and any additional fees imposed by Commission order. See OAR 860-088-0120. In the Commission’s December 2018 Program Implementation Update report to the legislature on CSP, the report notes that “ The rules determined that costs and benefits of participation in a CSP would be managed through the utility bill.”

<https://edocs.puc.state.or.us/efdocs/HAH/um1930hah111115.pdf>, page 8.

The rules allow for a “modified on-bill payment method if agreed by the Project Administrator and the electric company,” or the use of an alternative fee collection method (if approved by the Commission) if the ownership or subscription configurations are incompatible with the available on-bill payment methods.³ PGE has not been asked to agree to this model per the Commission’s rules and PGE has no information that the ownership and subscriptions are incompatible with PGE’s on-bill payment.

The use of unregulated consolidated billing does not bring value to the Community Solar Program. It compromises the program’s integrity. Very little energy within the program’s tier one projects remain available; projects do not require this model to attract subscribers. Unregulated consolidated billing exploits the interest of Project Managers in obtaining subscribers as cheaply as possible at the cost of both consumer protections and energy policy.

Role of the Utility Bill

The customer bill is a regulated communication tool that is subject to oversight. It is a key instrument in implementing Oregon state policy and the utility’s primary communication channel with its customers. A third-party repackaging PGE’s bill has no duty to convey all the communicated information from PGE to the customer on the repackaged bill.

PGE Bill components currently include:

- Annual notice of customer rights and responsibilities;
- Information on payment options and low-income support;
- Disconnect notices;
- Details on how the bill is calculated and explanations of the billing components;
- PGE program communications on Peak Time Rebates, Smart Thermostat, and other emerging demand-side offerings (both program availability and performance once enrolled);
- Twice annual appeals to support low-income energy assistance through solicited donations to the Oregon Energy Fund;
- Data on energy use including daily average use, daily average weather, graphs of monthly energy use, and comparisons with that month the previous year; and
- Information on how to report downed power lines.

PGE urges the Commission to preserve these communications and find that unregulated consolidated billing within Oregon’s CSP is contrary to the public interest.

PGE supports CSP

PGE supports the deployment of solar energy generation at the customer, community, and utility levels. We support the CSP and the opportunity it provides our customers to benefit from solar energy. Our aim is to promote cost effective and safe solar development and integrate more solar energy onto the electric system as we ramp up our decarbonization efforts to meet state policy and support company goals.

PGE regularly partners with CSP Program Administrator and project representatives to support the success of this program and make it a positive experience for our customers. We also promote this program in conversations with our customers; our call center and website are able to connect customers directly with CSP projects. We advertise the program through our bill on an annual basis. At our initiative, we have worked with the Community Energy Project to connect income-qualified customers with this program. We have met with small project developers to seek avenues to support their efforts,

³ OAR 860-088-0120 and 860-088-0120.

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and customers with available land who are interested in hosting projects. We have expanded and will continue to expand our website's information, knowing that our customers look to us as a trusted resource and to validate this program.

PGE strongly encourages you to preserve the integrity of the Oregon CSP by taking immediate action to ban the use of unregulated consolidated billing. We appreciate your time and attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "John McFarland".

John McFarland

Vice President Chief Customer Officer

A handwritten signature in black ink, appearing to read "Brett Sims".

Brett Sims

Vice President Strategy Regulation & Energy Supply

Cc: William Gehrke, Citizens' Utility Board
Bob Jenks, Citizens' Utility Board