

BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY,)	UM 1953 - Phase II
)	
Investigation Into Proposed Green Tariff)	CALPINE ENERGY SOLUTIONS, LLC'S MOTION TO ADMIT SUPPLEMENTAL HEARING EXHIBIT

In accordance with the Administrative Law Judge (“ALJ”) Allan Arlow’s direction at the hearing on October 8, 2020, Calpine Energy Solutions, LLC (“Calpine Solutions”) hereby submits for admission into the record Calpine Solutions Exhibit 202 Supplemental, which is Portland General Electric Company’s Response to Northwest and Intermountain Power Producers Coalition (“NIPPC”) Data Request No. 007. This exhibit may replace the originally admitted Calpine Solutions Exhibit 202, which was PGE’s original response to NIPPC’s Data Request No. 007. Calpine Solutions Exhibit 202 Supplemental is attached hereto.

DATED: October 9, 2020.

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Of Attorneys for Calpine Energy
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October 1, 2020

TO: Carl M. Fink
Blue Planet Energy Law, LLC

FROM: Karla Wenzel
Manager, Regulatory Strategy and Initiative

PORTLAND GENERAL ELECTRIC
UM 1953
PGE First Supplemental Response to NIPPC Data Request No. 007
Dated August 28, 2020

Request:

Reference PGE Exhibit 800, p. 17, lines 2-4:

- a. Please specify the total number of customers that formally requested service under the GEAR program for Phase 1.
 - i. Please identify all such customers.
- b. Of the total number of customers identified in response to Question 2.a., how many of such customers were not previously customers on PGE's system?
 - i. Please identify all such customers.
- c. If any customers identified in response to Question 2.a., were already customers on PGE's system, did PGE assign new customer representatives to work with such customers on GEAR issues? For the purposes of this question, please interpret the term "customer representative" as any employee of PGE that routinely works with specified customers regardless of their official job title.
 - i. If so, please provide the names of the customer representative providing service with respect to standard cost of service offerings and with respect to the GEAR program.
- d. Please describe the accounting treatment and provide journal entries documenting how PGE segregates cost of administration for its GEAR Program, expressly including:
 - i. Labor
 - ii. Outside Services
 - iii. State & Federal Lobbying
 - iv. Marketing and business development
 - v. Legal costs
 - vi. Credit and risk

- vii. Billing and invoicing
- viii. Regulatory matters.
- e. Please specify the total number of customers that have inquired about requested service under the GEAR program for Phase 2.
 - i. Please identify all such customers.
 - ii. Please provide all documents, communications and analysis regarding estimated program demand.
- f. Of the total number of customers identified in response to Question 2.d., how many of such customers were not previously customers on PGE's system?
 - i. Please identify all such customers.

Response (Dated September 11, 2020):

- a. For the purposes of responding to this data request, PGE interprets “formally requested” as having submitted a Letter of Intent (LOI). The total number of customers who submitted a LOI for Phase 1 is 19, including 17 customers in the PGE-supply option and two customers for the Customer-supply Option (CSO). See PGE Exhibit 601 for the press release from August 2019 which contains the Phase 1 subscribers’ names. The names of the two customers who submitted LOIs for the CSO have not been made public and are confidential customer information.
- b. PGE objects to this request on the basis that it requests protected customer information as PGE maintains the anonymity of customers in the queue. Notwithstanding this objection, of the 19 customers identified in Part A of this data request, one customer was not a PGE customer at the time they submitted their LOI.
- c. PGE did not assign any new customer representatives to work with the customers identified in PGE’s response to Part A of this data request. An existing (non-incremental staff) product developer with thorough knowledge of the program provided information to customers on the GEAR. Their name is provided as Attachment 007-A, which is protected information and subject to Protective Order No. 18-260.
- d. Upon Commission approval of PGE Schedule 55, on March 25th, 2019, PGE began tracking administration costs associated with offering the GEAR.¹ Prior to March 25th 2019, development costs were not accounted for separately, as they were covered in base rates according to standard product development practice.
 - PGE is tracking its actual costs using an Accounting Work Order beginning March 25, 2019. Actual costs tracked through August 31, 2020 are provided as Confidential Attachment 007-B. Attachment 007-B is protected information subject to Protective Order No. 18-260.
 - In preparing to respond to this data request, we learned that a couple of PGE employees inadvertently did not begin tracking their labor related to the GEAR offering, until September 8, 2020. However, PGE has determined the approximate amount of those

¹ More specifically, PGE began this tracking with its next pay period beginning April 1, 2019.

- employees' time from March 25, 2019 until September 8, 2020, and has included that amount with the actuals listed in Confidential Attachment 007-B.
- PGE will apply the amount collected as Schedule 55 administrative costs to our forecast of Other Revenue in PGE's next general rate case in order to avoid double collecting these costs in rates. The following address the specific categories requested based on costs incurred since March 25, 2019:
 - i. Labor – All applicable labor costs associated with the GEAR are represented in the following categories of this response.
 - ii. Outside Services – PGE has not incurred, and does not plan to incur, outside service costs (i.e. non-labor costs for professional services provided by third-party entities) associated with the GEAR. If PGE were to incur any such costs, they will be a de minimis expense.
 - iii. State & Federal Lobbying – These costs are non-utility costs; they are not recovered from PGE customers, are excluded from rates, and will not be included in the GEAR.
 - iv. Marketing and business development – Applicable labor and material costs associated with Marketing and Business Development are being tracked through PGE's accounting system.
 - v. Legal costs – PGE objects to this request to the extent it seeks information that is subject to the attorney-client privilege or the attorney work product privilege. Notwithstanding the foregoing objection, PGE legal labor costs are not incremental for the GEAR. These costs represent regular ongoing activity that is recovered in base rates.
 - vi. Credit and risk – Applicable labor and material costs associated with Credit and Risk are being tracked through PGE's accounting system. This category also includes resource procurement.
 - vii. Billing and invoicing – PGE anticipates customers will not be billed for this product until January 2022 at the earliest, and as such, no billing and invoicing costs have been incurred. All relevant billing and invoicing costs incurred in 2021 will be tracked through PGE's accounting system.
 - viii. Regulatory matters – PGE regulatory labor costs are not incremental for the GEAR. These costs represent regular ongoing activity related to achieving Commission approval of programs and associated regulatory cost recovery and are recovered in base rates.
 - e. PGE objects to this request on the basis that it requests protected customer information, that the request is not calculated to lead to the discovery of admissible evidence, and to the extent it causes undue burden. The names of customers that have inquired about service under the GEAR program for tranche 2 are confidential customer information. Notwithstanding the objection that it is unduly burdensome, PGE has had preliminary verbal conversations with 14 customers about the potential for additional GEAR capacity.

- f. PGE assumes that NIPPC intended to refer to response to Part E rather than Part D. All of the 14 customers referenced in Part E are current PGE customers.

First Supplemental Response (Dated October 1, 2020):

- d. PGE's initial response addressed the direct tracking of costs as identifiable by Attachment 007-B. To clarify PGE's response, we note the following:
- PGE established the administrative fee for the GEAR on the direct costs associated with implementing and running the Green Tariff program, as these types of costs are typical of operating programs.
 - Costs such as Legal and Regulatory are indirect costs that are not associated with implementing or running operating programs and, hence, are not typically tracked for those purposes.
 - In order to more fully capture indirect costs, however, we have applied the following rate-adders to all the direct labor costs identified in our initial response to NIPPC Data Request 007, Part D:
 - Labor loadings – this applies payroll-related costs such as employee benefits, payroll taxes, incentives, and employee support.
 - Corporate Governance allocation – this applies to support from a variety of administrative and general departments in PGE. Although this allocation does not specifically include Legal or Regulation, we believe it represents a reasonable proxy for the support these departments provide.