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March 20, 2019

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, SE, Suite 100
PO Box 1088
Salem, OR 97308-1088

RE: Comments in Response to Staff Recommendation
Portland General Electric Company's New Load Direct Access Tariff Filing

These comments are offered in response to the Staff recommendation to the Commission regarding PGE's New Load Direct Access (NLDA) tariff filing. We appreciate Staff's outline of our filing, discussion of issues raised and conformance with the Commission rules adopted for NLDA, and two recommendations.

As stated in PGE's NLDA Tariff filing and supporting cover memo, we strongly believe that electricity is an essential service that serves the public good. Accordingly, reliability and fairness are key imperatives in the provision of electric service, and therefore should also be vital considerations within the NLDA program and the related Commission processes.

Based on our review of Staff's recommendations and comments from parties, we offer a third option that provides a hybrid approach. We recommend that the Commission suspend the NLDA tariff pending the Commission's inquiry into the foundational reliability and equity issues raised in PGE's filing, while also enabling customers to provide PGE notice of intent to enroll in NLDA. This approach allows the NLDA program to advance on a timeline that is materially the same as if the tariff was approved, while also preserving the ability to fully consider the issues raised by PGE and other parties. By suspending the tariff, the following investigation could include consideration of alternatives and proposals that could alter the structure and cost of the NLDA Tariff. This approach allows the program to advance without delay to customers while keeping potential alternatives and solutions on the table.

With Staff's two recommendations and the one we propose, we acknowledge that customers who choose NLDA before the Commission's determination on the reliability and fairness issues, will have incomplete information as to final form and cost of the program. To address this uncertainty, we further recommend that the Commission provide a waiver process with respect to the three-year notice period for return to cost of service. A good-cause waiver process would allow interested customers to provide notice of intent to enroll in NLDA, but also addresses the fact that the outcome and Commission decision could materially impact the program, and therefore the customer's election decision. Finally, should the Commission choose this third option as its decision, PGE asks that the Commission and parties use best efforts to conclude the investigation within a year. That way, any contested issues would be resolved, and the program details fully known before customer participation begins.

PGE's third option puts customers first, allowing them to get a place in the queue pending the outcome of the contested case. This aligns with comments from Calpine Energy Solutions and the Alliance of Western Energy Consumers that customers providing written notice should be accepted into PGE's

NLDA program pending final approval of the terms. PGE's proposed option also allows customers to confidently make this election while the matter is pending as they know they may ask the Commission for a waiver should the outcome of the contested process materially impact their initial decision to enroll. Should the contested case be resolved within a year, the program details will be known and in place prior to the customer's participation.

Importantly, this third option also considers impacts on the customers staying on cost of service from reliability and a who-pays perspective. Resource adequacy is increasingly important given that this program increases the amount of load eligible to be served by third party providers without a clear and transparent process to assure reliability planning and implementation. Failing to plan for and effectuate resource adequacy for large loads would unnecessarily place the system at risk and unfairly shifts cost and risk to cost of service customers, including the most vulnerable customers and communities.

In summary, PGE proposes the Commission: 1) suspend the tariff; 2) allow customers the opportunity to provide their one year written notice of intent to participate in PGE's NLDA program pending final outcome of the tariff; 3) allow a waiver should the outcome result in fees and program design that would have materially affected the customer's decision to elect NLDA; and 4) Commission, Staff and parties to use best efforts to resolve the issues in the suspended tariff by March 21, 2020.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Karla Wenzel', written in a cursive style.

Karla Wenzel
Manager, Pricing and Tariffs