



Portland General Electric
121 SW Salmon Street · Portland, Ore. 97204

March 20, 2020

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

RE: UE 358 Informational Filing: PGE Program Administration

Enclosed please find an informational letter recently sent to queued customers in the New Load Direct Access program queue. The letter is a follow up to the February 13 meeting convened by OPUC Staff to discuss program implementation. During that meeting, Staff affirmed that this is PGE's program and PGE has discretion on how it administers the program, so long as it is reasonable and nondiscriminatory. Thus, our communication is intended to clarify how PGE is administering the program, addressing issues on which the PUC's rules, adopted in AR 614 through Order 18-341, are silent.

The issues include: the start of the one year notice required in OAR 860-038-0740(1); the amount of time the customer has to consider the opt out agreement once tendered by PGE; how long a customer has to energize its facilities beyond the one year notice; how customer demand will be determined for purposes of its opt out agreement and determining room under the program cap; how customer load amount and room under the cap will be determined at the end of the transition adjustment period; and the amount of time the customer has to file a waiver with the OPUC in the event PGE declares the customer cannot participate in the NLDA program.

As noted, the letter has been sent to all NLDA queued customers. In the interest of transparency, PGE is providing this administrative detail to the Commission, Staff and stakeholders in the UE 358 docket.

For any questions, please contact Teresa Griffels at Teresa.griffels@pgn.com. Please direct all formal correspondence and requests to the following email address pgc.opuc.filings@pgn.com

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing & Tariffs

Enclosure



Portland General Electric
121 SW Salmon Street · Portland, Ore. 97204

New Large Load Direct Access Clarification Letter

March 16, 2020

Dear [Customer Name],

On February 13, 2020, the Oregon Public Utility Commission (OPUC) Staff convened a meeting attended by PGE, intervenors in the New Large Load Direct Access (NLDA) docket at the PUC, and customers currently in the NLDA queue. The purpose of this meeting was to discuss NLDA program implementation questions, including the handling of the customer queue, that have arisen and identify answers.

At this meeting, OPUC staff clearly stated that given PGE's approved NLDA program tariff, PGE has the directive and responsibility, to administer the tariff in a fair and equitable way. Over the past several weeks PGE has been working on refining our process to administer the NLDA tariff for the customers in the queue. As a result of this work, PGE is providing direction and clarification to customers in the queue. The items listed below will be addressed in one or more of the following documents: PGE's filed tariff at the PUC, in this letter, or included in the NLDA contract.

1. The start of the one-year notification requirement¹, before a new load can be energized, began on April 15, 2019, with the creation of the current NLDA queue. Consequently, any load energized prior to April 15, 2020, is not be eligible for NLDA.
2. Once PGE tenders an NLDA contract, that customer will have ten (10) business days from the date of PGE's tender, to sign and return the contract to PGE, or the offer will be withdrawn.
3. Beyond the one-year notification period, a customer has up to one more year to energize the new service (for initial program participants, that's by April 15, 2021), or two years (for initial program participants, that's by April 15, 2022) if substation construction and/or substation upgrades, are required to provide the new service(the "Timely Energization Date"). Temporary power will not be considered "energization" for purposes of determining a Customer's Energization Date. Allowances will be made if delays in construction are outside the control of the customer, such as material delays, or other delays caused by PGE. Failure to meet the Timely Energization Date will result in automatic disenrollment from the NLDA program and termination of the New Large Load Cost of Service Opt-Out Agreement.

¹ OAR 860-038-0740 "(1)Each New Large Load consumer must notify the electric company of its intent to enroll in the New Large Load Direct Access Program and opt out of cost-of-service rates at the earlier of either: (a) A binding written agreement with the utility for eligible new load, or (b) One year prior to the expected starting date of the incremental load."

4. PGE will calculate, in demand (kW), the new load that is to be referenced in the NLDA Opt-Out Agreement (“Contracted Load”) and used for purposes of determining any remaining capacity under the cap of the NLDA program, and such calculation will be based on the capacity of service the customer is currently requesting from PGE. PGE will design and construct facilities to serve the Contracted Load stated in the NLDA contract.
5. Following the sixtieth (60) month after energization of the new service, PGE will evaluate the actual load factor (LF) of the customer and apply it to the Contracted Load reflected in the original contract, to calculate energy in MWa.² The remaining energy (MWa), beyond that used by Customer, will be added back to the program as capacity available under the cap.
6. A customer has sixty (60) days, from receipt of notification of their ineligibility for NLDA, to file a waiver with the OPUC in accordance with OAR 860-001-0000 et seq.

PGE understands that no customer in the queue will be completely satisfied with the implementation of these rules, whose purpose is to add clarity and transparency to the administration of the tariff and the queue. During the many meetings and discussions over the past several weeks, with no single customer in mind, PGE thought it fair to ensure that decisions by customers in the queue are made in a timely manner so no one customer could unfairly hold space in the NLDA program under the cap for an indeterminate period of time, and therefore, negatively impact other customers behind them in the queue and/or other customers that may request access to this program in the future.

If clarifications regarding the information in this letter are required, please reach out directly to your respective PGE Key Customer Manager. If you fundamentally disagree with the conclusions this letter holds, please avail yourself of the OPUC waiver process.³ Provided a timely waiver request is submitted to the OPUC, a customer’s place in the queue will be secured while their waiver is being considered by the OPUC.

Sincerely,

KCM name
Portland General Electric

² Example: 50 MW Contracted Load is stated in the contract and designed for by PGE. 60 months following Customer’s Energization Date, Customer’s load factor is 90%. (50 MW * .9 LF = 45 MWa). Thereafter, 45 MWa will be considered Customer’s load under the NLDA cap and the remaining 5 MWa will be added back as capacity available under the NLDA cap.

³ Refer to OAR 860-001-0000 et seq.