



Oregon

Kate Brown, Governor

Public Utility Commission

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July 31, 2019

Via Electronic Filing (Errata Filing)

OREGON PUBLIC UTILITY COMMISSION
ATTENTION: FILING CENTER
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UE 358: In the Matter of PORTLAND GENERAL ELECTRIC
COMPANY, Advice No. 19-02, New Load Direct Access Program.

OPUC makes correction to Staff's Opening Testimony filed July 18, 2019.

Staff/100, Gibbens/16 at line 3, Staff has identified an error in its calculation of the cost per added day of reliability. The corrected value should be \$1.3 million per added day of reliable power as opposed to \$1.8 million.

Redline page showing the error and a clean replacement page are attached with this filing.

/s/ Kay Barnes

Kay Barnes

PUC- Utility Program

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1 schedule 489 customers, this would equate to over \$13 million a year, or
2 roughly \$900,000 per customer based on the usage filed in PGE's last rate
3 case. This means that each customer would pay roughly \$1.8 million per day of
4 added reliable power under this charge. This is an amount where the
5 economics of the business might favor shutting down for the day or even to
6 invest in on-site generation to handle this risk.

7 **Q. Please explain Staff's second concern regarding choice.**

8 A. The second concern follows from the first. One of the main value propositions
9 for Direct Access is customer choice. PGE's proposal removes the customer's
10 ability to choose where it gets its resource adequacy from, the desired level of
11 resource adequacy, and how it gets its resource adequacy.

12 By choosing direct access, customers are effectively choosing a power supply
13 other than the utility's least cost/least risk planning. Customers instead have
14 the option to procure power from any number of providers. PGE's proposed
15 RAD changes that dynamic so that direct access customers are required to
16 purchase capacity from PGE, and do not get a choice as to who ensures there
17 is a sufficient amount of power to meet their energy needs.

18 Direct Access customers may also not want the same level of reliable power
19 as the utility deems necessary. If these customers are sophisticated and large
20 enough to identify costs and risks for themselves regarding where to procure
21 power, it can be assumed they are also sophisticated enough to optimize the
22 level of reliability that fits their needs as well. Certain customers may require
23 reliability at the level PGE is ensuring, but some may not require that. The cost

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