

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: June 18, 2019**

REGULAR  CONSENT  EFFECTIVE DATE June 19, 2019

**DATE:** June 10, 2019

**TO:** Public Utility Commission

**FROM:** Sabrina Soldavini and George Compton

**THROUGH:** Jason Eisdorfer, John Crider, and Marianne Gardner **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC: (Docket ADV No. 977/Advice No. 19-13) Updates Schedule 6, Residential Pricing Pilot.

**STAFF RECOMMENDATION:**

Approve Portland General Electric's (PGE or Company) Advice No. 19-13, proposed updates to Schedule 6 Residential Pricing Pilot, effective for service on and after June 19, 2019, on less than statutory notice.

**DISCUSSION:**

Issue

Whether the Oregon Public Utility Commission (Commission) should approve PGE's request to update its Schedule 6 Residential Pricing Pilot, on less than statutory notice (LSN).

Applicable Law

ORS 757.205(1) states that a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time.

OAR 860-022-0025 requires that new tariff filings include statements showing the new rates, the number of customers affected, the impact on annual revenue, and the reasons supporting the proposed tariff.

Filings that make any change in rates, tolls, charges, rules or regulations must be filed with the Commission at least 30 days before the effective date of the changes.

ORS 757.220. The Commission may approve tariff changes on less than 30 days' notice for good cause shown. *Id.*

The Commission reviews tariffs filed under ORS 757.205 and 757.210 to determine whether they are fair, just and reasonable.

## Analysis

### *Background*

Portland General Electric submitted this advice filing to the Commission on June 5, 2019, pursuant to ORS 757.205, ORS 757.210, and OAR 860-022-0025, with a requested effective date of June 19, 2019. With its filing, the Company proposes revisions to Schedule 6 Residential Pricing Pilot, requesting an extension of the program, and incorporating recent changes related to PGE's Flexible Residential Pricing Program.<sup>1</sup> Due to the timing of the filing, an LSN was included with the filing.

### *Extension of Flex 1.0 Program*

As referenced above, the Company's filing proposes the extension and modification of its Schedule 6 Residential Pricing Pilot, also referred to as Flex 1.0. Flex 1.0 is a demand response program designed to test several Time of Use (TOU) and Time of Day (TOD) rates, both with and without Peak Time Rebates (PTR). This program, offered through Schedule 6, is currently set to expire on June 30, 2019.

On February 8, 2019, the Company submitted Advice No. 19-03. Its intent was to incorporate as part of the standard Residential Service Schedule 7, a) a PTR option, and b) a Flex 2.0 two-tier TOU option piloted in the Schedule 6 Flex 1.0 program. The Company states that its goal was to have its Flex 2.0 program in effect before the termination of Schedule 6, enabling customers currently enrolled in Flex 1.0 to more seamlessly transition to Schedule 7, minimizing potential rate changes, and preserving the option to remain on a TOU/TOD plan. However, the Company is continuing its work with Staff to refine the TOU/TOD aspect of its Flex 2.0 program. As such, in this advice filing the Company proposes to extend Schedule 6/Flex 1.0 Pilot until September 30, 2019, allowing time before its termination for the Company's new Schedule 7 TOU/TOD program to be rolled out.

Staff supports this extension as it ensures customers currently enrolled in the Schedule 6 pilot (approximately 34,000 customers) are not abruptly switched away from a TOU/TOD option before the full Schedule 7 Flex 2.0 program is implemented, and eliminates the possibility of customers being forced to change schedules prematurely, only to have their rates potentially change again once the new Schedule 7 offerings are put into place this fall.

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<sup>1</sup> See Docket No. ADV 920, Advice No. 19-03, Staff Report for Public Meeting.

*Peak Time Rebate Addition & Mirroring Language*

In addition to extending the length of the residential pricing pilot program, this filing proposes to mirror within Schedule 6 the recently approved incorporation of the PTR program in Schedule 7. The change modifies the PTR incentive level and adds a PTR Window in the mornings from 7-11 AM. The Company notes in its filing that it is proposing the inclusion of the PTR incentive alignment to avoid any customer confusion and “perceived inequities, given that PTR events are going to be called for Schedule 6 and Schedule 7 customers.”

Staff has reviewed the changes to Schedule 6, and supports the modifications to mirror Schedule 7 PTR language, and agrees with the Company’s assessment that the alignment of PTR incentive levels helps resolve concerns about inequities between customers on the two Schedules.

*Effects of Filing*

PGE’s proposed modifications to Schedule 6 do not change existing rates, and thus will not affect the Company’s revenue. Staff finds that the 33,800 customers currently enrolled in Schedule 6, Residential Pricing Pilot will not be harmed by the extension of, or modifications to, the Flex 1.0 program.

Conclusion

Based on Staff’s analysis of PGE’s advice filing, Staff finds the proposed changes result in rates that are fair, just and reasonable. Staff recommends the Commission approve PGE’s application on less than statutory notice.

**PROPOSED COMMISSION MOTION:**

Approve PGE’s application to update Schedule 6, Residential Pricing Pilot subject to service on and after June 19, 2019, on less than statutory notice.