



Portland General Electric Company

121 SW Salmon Street • Portland, Oregon 97204
PortlandGeneral.com

August 26, 2019

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

RE: Advice No. 19-16, Updating Schedule 3, Residential Demand Response Water Heater Pilot

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rule (OAR) 860-022-0025, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18 with a requested effective date of **October 1, 2019**:

Second Revision of Sheet No. 3-3

Second Revision of Sheet No. 3-4

The Residential Demand Response Water Heater Pilot is a demand response option for eligible residential Customers. The pilot is being conducted by the Bonneville Power Administration (BPA), Pacific Northwest National Laboratory (PNNL), and PGE. The purpose of this filing is to update Schedule 3, Residential Demand Response Water Heater Pilot. The Schedule 3 term was previously extended until March 31, 2019. That phase of research has ended, and PGE is no longer sending control events to water heaters.

PNNL obtained funding from U.S. Department of Energy to implement another phase of research to improve the method of water heater control by sending control commands to each individual water heater instead of using a group control command that includes many water heaters in a group. This phase of research would be offered to the 80 remaining PGE customers in the existing pilot, the new research would take place from October 1, 2019 thru September 30, 2020. Therefore, PGE is extending the pilot until September 30, 2020.

If existing customers choose to remain in the pilot through September 30, 2020, they will receive a \$150 incentive. We will continue to collect usage data at the water heater from April 1, 2019 thru September 30, 2020. PNNL will reimburse PGE for the customer incentive, and PGE is not seeking cost recovery for expenses incurred in this pilot.

To satisfy the requirements of OAR 860-022-0025, PGE responds as follows:

The proposed revisions to Schedule 3, Residential Demand Response Water Heater Pilot, do not increase, decrease, otherwise change existing rates, or impact revenues. PGE has approximately 80 customers who participate in this pilot.

Should you have any questions or comments regarding this filing, please contact Mary Widman at (503) 464-8223.

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pqn.com

Sincerely,



Karla Wenzel
Manager, Pricing and Tariffs

Enclosures

SCHEDULE 3 (Continued)

ENROLLMENT

The Customer enrollment period may begin prior to the term of the pilot. Customers must enroll in the BPA pilot by August 31, 2017. The extended program is offered to already enrolled customers who choose to remain in the pilot through September 30, 2020. Customers with heat pump water heaters will be notified by mail or email and be provided with an opportunity to enroll in this schedule. Customers with Conventional Electric Resistance Water Heaters will have the opportunity to enroll through notification by a select, trained group of plumbers. PGE expects this notification to occur primarily while a Customer replaces a failed electric water heater. However, qualified Customers that contact PGE, or are informed by another method, may be allowed to participate if they bear the cost of replacing their existing water heater with a Conventional Electric Resistance Water Heater named above. Unless this pilot is otherwise terminated, participating Customers will be enrolled for the entire pilot term.

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INCENTIVE

Participating Customers will receive a \$50 sign-up incentive payment after PGE verifies one month of connectivity to the Customer's Wi-Fi network. A Customer that has participated, as defined in the special conditions, for 12 months will receive a \$100 participation incentive at the end of the pilot. Customers will receive an additional \$100 if they allow PGE to install a logging device on the water heater for the duration of the pilot. The number of logging devices is limited. Existing customers who choose to participate in the pilot will receive a \$150 incentive if they remain in the pilot until September 30, 2020. Incentives are paid to the Customer with a check or gift card. To receive participation payment, the Customer must not move, withdraw, or be removed from pilot during the 12 months.

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SCHEDULE 3 (Concluded)

SPECIAL CONDITIONS

1. The Customer may terminate service under this pilot voluntarily. The Customer will not receive a participation incentive if they withdraw or are removed from the pilot. The Customer must notify PGE if they choose to withdraw from the pilot.
2. PGE has the right to remove a Customer from the pilot at any time, for any reason.
3. If a Customer withdraws or is removed from the pilot, the Customer is not eligible for reenrollment during the pilot.
4. If the Customer moves from the enrolled residence during the term of the pilot, they are no longer eligible for the pilot.
5. The Company is not responsible for any direct, consequential, incidental, punitive, exemplary, or indirect damages to the participating Customer or third parties that result from Direct Load Control Events.
6. The Company or BPA shall have the right to select the Direct Load Control Event schedule.
7. The Customer may activate a 24-hour suspension from the pilot by notifying the Company through a Customer specific log-in page on the PGE website. A Customer may be removed from the pilot if they implement the override option excessively; an example of excessive is override use for more than 100 days, or more than 15 days in any 30-day period.
8. To receive a participation incentive, the Customer must respond to weekly surveys regarding the pilot, administered by the Company.
9. Radio transmitters installed onto the water heater will remain the property of the Company before, during and after the conclusion of the pilot. The customer shall return the device in a pre-paid postage box provided by PGE.
10. The provisions of this schedule do not apply for any time that the Company interrupts the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company.

TERM

The pilot is active until September 30, 2020.

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