

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 2, 2020

REGULAR CONSENT EFFECTIVE DATE June 3, 2020

DATE: May 26, 2020

TO: Public Utility Commission

FROM: Anna Kim

THROUGH: Bryan Conway, Michael Dougherty, JP Batmale, and Sarah Hall **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1114/ Advice No. 20-10)
Requests Update to Schedule 7 Tariff Relating to Peak Time Rebate
Event.

STAFF RECOMMENDATION:

Authorize Portland General Electric (PGE or the Company) to update its Residential Schedule 7 to increase the participation cap for its Optional Peak Time Rebate Program.

DISCUSSION:

Issue

Whether the Commission should allow PGE to update its Residential Schedule 7 to increase the Peak Time Rebate participation cap from 110,000 to 160,000 participants.

Applicable Law

ORS 757.210 requires fair, just, and reasonable rates. OAR 860-022-0025(2) and -0030(1) require a utility proposing a rate change to provide certain information such as the amount of any rate change, number of customers affected, and reason for rate change.

Analysis

PGE's Peak Time Rebate (PTR) is a demand response pilot open to residential customers. Participants receive incentives for reducing energy usage during certain

periods of time during events called on by the Company. This pilot went into effect on April 10, 2019, when the Company's changes to Schedule 7 went into effect.

On April 27, 2020, PGE filed its Advice No. 20-10, Schedule 7, Peak Time Rebate Event Participation. The Company requests approval to change the participation cap from 110,000 participants to 160,000 participants. The Company states that its initial projections were for 55,000 participants to have enrolled by the end of 2019, but it had signed up 80,000 participants by that time. The Company further believes that additional enrollments may be necessary to meet MW targets established in its integrated resource plan (IRP). The Company proposes to increase the cap to accommodate greater-than-anticipated demand and to achieve its IRP targets, allowing more freedom to target recruiting and test additional refinements to the pilot in 2020.

Staff believes this request and supporting information indicates that this pilot is a successful offering that could soon be ready for transition to a permanent program. The Company indicates in its filing that there was no evidence of "gaming",¹ which suggests that PGE has effectively structured the pilot to provide reasonable compensation, while at the same time, increased participation rates indicate that this is an attractive option for residential ratepayers.

In this filing, the Company states that it intends to request removing the participation cap in the future.² In email correspondence on May 20, 2020, the Company indicated that there are 613,700 customers on Schedule 7 that could be eligible for the program. A cap of 160,000 participants would cover a little over a quarter of all eligible participants. If this offering continues to be successful, Staff would also like to see this participation cap removed and this offering made permanently available to all eligible customers.

Staff applauds PGE's success in testing this demand response offering and would like to continue to work with the Company to develop PTR towards a permanent program. To that end, Staff requests that when the Company files its next request to reauthorize deferral accounting for this pilot, that with that request, it also files a plan for transitioning PTR into a program. The Company has agreed to do so.

Staff believes that this conversation will be well-timed. The authorization for deferral accounting expires on June 22, 2020.³ The Company also plans to publish evaluations results for PTR in June 2020. While Staff understands that the Company intends to test further refinements to PTR during summer 2020, starting to discuss the transition in

¹ PGE Advice No. 20-10 pg. 1.

² Ibid, pg. 2.

³ Order No. 19-313.

Docket No. ADV 1114
May 26, 2020
Page 3

June will allow time to agree upon a plan that is flexible and can adapt based on summer results.

Conclusion

Based on the Company's success with the PTR pilot, Staff recommends that the Commission authorize PGE to update its Residential Schedule 7 to increase the participation cap for its Optional Peak Time Rebate Program.

PROPOSED COMMISSION MOTION:

Authorize PGE to update its Residential Schedule 7 to increase the participation cap for its Optional Peak Time Rebate Program.

ADV 1114 PTR