



Portland General Electric Company
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portlandgeneral.com

June 24, 2022

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

RE: UM 2099 In the Matter of PGE's Request for Approval of Agreement for Net Metering and Interconnection Services

Dear Filing Center,

In accordance with UM 2099 Order No. 21-493, enclosed for filing is Portland General Electric Company's (PGE) status update on the Company's efforts to identify an alternative method or technology for cost-effectively interconnecting net metering customers on constrained feeders.

In 2020 PGE initiated this docket to provide a means by which net metering customers could connect their net metering facilities to generation-limited feeders without the need for the customer to pay for the construction of expensive grid protection upgrades. The two-meter interim alternative introduced in this docket made possible curtailment of net metering facilities as a temporary solution when generation exceeds consumption on a constrained feeder so that customers may participate in net metering without the grid protection upgrades. In Order No. 20-402, the Commission approved the two-meter alternative for use until December 31, 2021. While this docket was being processed, the Commission also opened docket UM 2111 Investigation into Interconnection Procedures. In Staff's memo recommending the opening of docket UM 2111, Staff noted that the solution proposed in UM 2099 was an interim solution until long-term solutions could be developed in other Commission proceedings and investigations such as UM 2111.

In Order No. 21-493, the Commission approved the use of the interim two-meter alternative through December 31, 2022, the staff memo accompanying the Commission's order noted that "PGE's proposal is appropriate until long-term solutions are developed in other venues such as Docket Nos. UM 2111, UM 2197, and UM 2141. Staff is comfortable recommending approval of PGE's request to extend the use of the two-meter solution on a temporary basis through December 31, 2022, with a requirement for PGE to file a more permanent alternative(s) or status update by June 30, 2022." This letter provides PGE's status update.

During the last six months an internal group at PGE that includes System Protection Engineers, Planning Distribution Engineers, Interconnection Services, and Regulatory Affairs has met bi-weekly to discuss possible solutions which would allow customers to cost-effectively interconnect on constrained feeders. This internal group has explored the following possible solutions and performed the following analysis:

- Refreshed day-time minimum load (DML).
- Updated the constrained feeder list based on the updated DML data.
- Reviewed PGE's distribution system to determine Distribution Energy Resource (DER) readiness and what is needed to make PGE's substations DER ready. This includes the estimated cost to upgrade the currently identified constrained feeders.
- Submitted cost estimates to upgrade two previously identified constrained feeders (Scoggins-Laurelwood and Waconda) to PGE's capital review group and received funding to upgrade these feeders.
- Examined if PGE could introduce a Net Metering Fast Track Program to new net metering applicants on constrained feeders and if there would be an impact to PGE's safety and reliability standards.
- PGE also reviewed other options such as a "no-export" alternative.

At the same time, PGE has also participated in Staff's UM 2111 Investigation into Interconnection Process and Policies this Spring, where Staff and Stakeholders refined the scope of the docket and the grouping of the issues via filed comments and workshops. The final scope for the Group 1 issues was adopted by the Commission at the April 19, 2022, Public Meeting and the first kick-off meeting that will address the Group 1 issues is scheduled July 15, 2022. The Group 1 Issues of the investigation include:

- Modernizing the screening and interconnection study practices;
- Incorporating advanced inverters, storage islanding, and other modern configuration;
- Incorporating IEEE 1547-2018 standards; and
- Access to transparent data about utility standards, costs and study assumptions.

PGE considers UM 2111 the appropriate venue with the necessary regulatory procedures to explore alternative methods or technologies for cost-effectively interconnecting net metering customers on constrained feeders with Staff and Stakeholders. Additionally, Group 2 in UM 2111 is focused on cost allocation practices, which PGE hopes will bring clarity when assigning upgrade costs to net metering customers and other system beneficiaries.

PGE's internal analysis indicates that introducing a Net Metering Fast Track Program for all new net metering systems under a certain predetermined screening threshold, is feasible. This program would also cover customers wanting to interconnect on constrained feeders and therefore provide a long-term solution to some of the issues that gave rise to the two-meter interim alternative. PGE understands that Staff's preference is that a Fast Track proposal be discussed within the UM 2111 docket as part of the "Modernizing the screening and interconnection study practices" issues rather than PGE making this proposal in the UM 2099 docket which would be duplicative with Staff and Stakeholders. PGE agrees with this approach. PGE hopes that all parties in the UM 2111 docket can reach a consensus on modernizing screening and interconnection study practices and this topic can be brought before the Commission by the end of this year.

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In the interim, PGE will continue to offer the two-meter solution to net metering applicants on constrained feeders as a cost-effective way for these customers to avoid costly system upgrades. In the fall of 2022, PGE will provide another status update and, if needed, by the end of 2022, seek another extension of the two-meter interim alternative with the Commission until a long-term solution is developed, adopted and approved by the Commission in UM 2111.

Thank you for your assistance in this matter. If you have any questions or require further information, please call Chris Pleasant at (503) 464-2555.

Please direct all formal correspondence, questions, or requests to the following e-mail address: pge.opuc.filings@pgn.com.

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing & Tariffs