



Oregon

Kate Brown, Governor

Public Utility Commission

201 High St SE Suite 100

Salem, OR 97301-3398

Mailing Address: PO Box 1088

Salem, OR 97308-1088

503-373-7394

May 18, 2021



BY EMAIL

Portland General Electric Company

pge.opuc.filings@pgn.com

RE: Advice No. 21-10

At the public meeting on May 18, 2021, the Commission adopted Staff's recommendation in this matter docketed as ADV 1262. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 18, 2021**

REGULAR CONSENT EFFECTIVE DATE June 2, 2021

DATE: May 10, 2021

TO: Public Utility Commission

FROM: Kacia Brockman

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

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1262/Advice No. 21-10)
Extends rebate reservation period for Residential Battery Energy Storage Pilot, Schedule 14.

STAFF RECOMMENDATION:

Approve Portland General Electric Company's (PGE or Company) Advice No. 21-10 effective with service on or after June 2, 2021, revising the Residential Battery Energy Storage Pilot, Schedule 14, to extend the rebate reservation period from six months to nine months.

DISCUSSION:

Issue

Whether the Commission should approve Advice No. 21-10, PGE's request to extend the rebate reservation period for the Residential Battery Energy Storage Pilot from six months to nine months.

Applicable Law

Under ORS 757.205(1):

Every public utility shall file with the Public Utility Commission, within a time to be fixed by the commission, schedules which shall be open to public inspection, showing all rates, tolls and charges which it has established and which are in force at the time for any service performed by it within the state, or for any

service in connection therewith or performed by any public utility controlled or operated by it.

The Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. ORS 757.210. Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025. OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules must include in its filing a statement plainly indicating the increase, decrease, or other change made with the filing, the number of customers affected by the proposed change and the resulting change in annual revenue; and the reasons or grounds relied upon in support of the proposed change.

Filings that propose 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 change. ORS 757.220; OAR 860-022-0015. Tariff filings to be effective on less than 30 days following notice of the change may be authorized with a waiver of less than statutory notice pursuant to ORS 757.220 and OAR 860-022-0020.

Analysis

Background

PGE's Residential Battery Energy Storage Pilot (Pilot) is defined in the operational tariff Schedule 14. The Pilot launched in August 2020 for a five-year period. The Pilot offers monthly incentives to residential customers who allow the Company to manage the charging and discharging of residential customer batteries, with the option for customer override. The number of participants in the Pilot is capped at 525. As of March 2021, there were 33 active participants, and 25 pending customer enrollments awaiting their battery installations. PGE began calling events and dispatching the batteries earlier in Q1 2021.

The Pilot also offers rebates to residential customers located within the Smart Grid Testbed boundaries who purchase new batteries and allow PGE to manage the charging and discharging of the batteries. Rebates for new batteries are limited to 200 customers and progressively decline in value as more participants are approved for rebates. Additionally, a separate, higher rebate is available to a maximum of 25 income-qualified customers. Rebates are reserved on a first-come, first-served basis. Rebates are reserved for a period of six months, after which the battery must be operational and controllable by PGE, or the reserved rebate will be released.

On April 22, 2021, PGE filed Advice No. 21-10, which modifies Schedule 14 to extend the duration of the rebate reservation period from six months to nine months. On

April 28, 2021, PGE made a supplemental filing to correct the requested effective date from June 1 to June 2, 2021.

PGE requests to extend the rebate reservation period from six months to nine months because batteries from the Pilot's predominant battery manufacturer are currently on six to eight months back order, and customers' incentive reservations are expiring before their batteries can be installed. The three-month extension is expected to provide sufficient time for the batteries to be received and installed.

Analysis

The short time extension to accommodate the manufacturer backlog will reduce administrative burden for PGE and customers with expiring reservations and increase certainty for customers with reserved rebates, while retaining sufficient time pressure to ensure the rebates result in timely installed battery systems.

Staff reviewed PGE Advice No. 20-10 and confirms that the proposed revisions to Schedule 14 are limited to the extension of the rebate reservation period and correction of a misspelled word.

Conclusion

PGE's request to extend the rebate reservation period to nine months is reasonable and responsive to customer needs and should be approved.

PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 21-10 effective with service on or after June 2, 2021.

**SCHEDULE 14
RESIDENTIAL BATTERY ENERGY STORAGE PILOT**

PURPOSE

This residential battery energy storage pilot will evaluate the ability of residential batteries to deliver services in support of PGE's electrical system. The battery energy storage pilot offers incentives to allow the Company to manage the charging and discharging of customer batteries with the option for a customer override. The pilot is expected to be conducted from August 1, 2020 through July 31, 2025.

AVAILABLE

In all territory served by the Company.

APPLICABLE

This program is applicable to Residential (Schedule 7) Customers that own a qualifying battery¹ and elect to enroll and participate in the pilot. Customers will remain on Schedule 7 and will be eligible for the incentives described in this schedule. The pilot is optional and limited to 525 residential customers.

ELIGIBILITY

Customers must submit an interconnection application which must be approved by PGE, purchase or already own a qualifying battery, proceed with installation, and apply for acceptance into the pilot.

ENROLLMENT

(T)

Customers will be allowed to enroll in this pilot until the pilot reaches its maximum enrollment of 525 residential customers. Unless this pilot is otherwise terminated, participating Customers will be enrolled for the entire pilot term.

INCENTIVES

Basic Offering

1. Available to customers who have a qualifying battery and allow PGE to manage the charging and discharging of such equipment for the benefit of PGE's electric system.
2. For customers with a battery that is able to charge from the electrical grid, PGE will pay the customer \$40 monthly for the duration of the pilot or until the customer disenrolls, whichever is earlier.

1. A list of approved qualifying battery storage systems for this pilot is available on PortlandGeneral.com

SCHEDULE 14 (Continued)

INCENTIVES (Continued)

3. For customers with a battery that is unable to charge from the electrical grid (restricted to charging with onsite solar only), PGE will pay the customer \$20 monthly for the duration of the pilot or until the customer disenrolls, whichever is earlier.

Test Bed Rebate

1. Available only to customers who are served by the Delaware, Island, or Roseway substations, who purchase a new qualifying battery, and allow PGE to manage the charging and discharging of such equipment for the benefit of PGE's electric system.
2. In addition to the Basic Offering, PGE shall provide a rebate for the new purchase and installation of a qualifying battery storage system.
3. The new purchase rebate is limited to 200 customers. The rebate amount shall be \$3,000 for the first 67 customers that have a pilot application approved by PGE, \$2,000 for customers 68 through 134, and \$1,000 for customers 135 through 200.
4. The rebate level will be reserved for a customer for nine months from when the pilot application is approved to when the battery storage system is operable by PGE and enrolled in this pilot. If the battery storage system does not begin communications with PGE within nine months of pilot application approval, the customer's reserved rebate will be released. When communications are established the customer may receive the incentive at the currently available level, if still available. (C)
5. A developer or builder is eligible to receive the rebate if purchase and installation of a qualified battery storage system occurred prior to occupancy by a residential customer and enroll the battery in the Pilot. (C)

Income Qualified Rebate

1. Available to customers receiving incentives from the Energy Trust of Oregon's Solar Within Reach program that purchase a new qualifying battery storage system and allow PGE to operate such equipment for the benefit of PGE's electric system.
2. In addition to the Basic Offering, PGE shall provide a rebate of \$5,000 for the new purchase and installation of a qualified battery storage system. The rebate is limited to the first 25 customers.