



Portland General Electric Company
Legal Department
121 SW Salmon Street • 1WTC1301 • Portland, OR 97204
Phone 503-464-7822 • Fax 503-464-2200
portlandgeneral.com

Loretta I. Mabinton
Managing Assistant General Counsel
loretta.mabinton@pgn.com

December 17, 2021

Via Electronic Filing

Oregon Public Utility Commission
Attn: Filing Center
201 High Street Southeast Suite 100
Post Office Box 1088
Salem, Oregon 97301

Re: **UM 2166 – PGE 2021 All-Source Request for Proposals (RFP)
Notice of Intent to Submit Affiliate Bid**

Dear Filing Center:

Enclosed for filing in the above-referenced docket is Portland General Electric Company's ("PGE") Notice required by the Commission's December 2nd Order 21-460 approving the final draft 2021 All-Source Request for Proposals with modifications.

Sincerely,

A handwritten signature in blue ink that reads "Loretta Mabinton".

Loretta Mabinton
Managing Assistant General Counsel

Enclosure
Cc Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2166

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

2021 All-Source Request for Proposals (RFP)

**NOTICE OF INTENT TO SUBMIT
AFFILIATE BID**

Portland General Electric Company (PGE) submits the following notice to meet the requirements of Commission Order 21-460.

At its December 14, 2021 public meeting, the Commission rejected without prejudice the Company's application to modify PGE's Master Service Agreement to provide support services, priced at the higher of fully allocated cost or market, to PGE's affiliate, Portland Renewable Resource Company, LLC (PRR). The Commission invited PGE to re-file the application with modifications, including controls to address potential customer harms. Subsequent to forthcoming engagement with Public Utility Commission of Oregon (OPUC) Staff and stakeholders, PGE intends to submit a new application to modify the Master Service Agreement (Application) to the Commission to consider PGE's proposal to provide support services to PRR. The proposed affiliate transaction would increase competition, resulting in lower costs for PGE customers. PGE expects and appreciates that robust engagement with stakeholders on the substantive controls to address potential harm prior to re-filing the application will take some time and does not anticipate re-filing prior to the submittal of an affiliate bid.

Prior to filing the new Application, PGE will develop an affiliate bid which PGE intends to submit into the 2021 All-Source Request for Proposals (RFP) by the deadline for affiliate and benchmark bids of January 4, 2022. The costs to support the development of the affiliate bid will not be borne by PGE customers, but by PGE shareholders. All employee time and all development costs associated with the affiliate bid will be separately tracked and recorded to non-utility expense accounts. The affiliate bid will be submitted conditioned upon approval by the Commission of the Application. If the Application is rejected by the Commission, the affiliate bid will be withdrawn.

PGE's RFP process will evaluate any affiliate bid with the same protocols as a benchmark bid. As with a benchmark bid, the affiliate bid will be developed, submitted, and scored consistent with the competitive bidding rules under Division 89, including earlier due date of the affiliate bids and oversight by the Independent Evaluator (IE). There will be strict separation between PGE employees working on the development of the affiliate and benchmark bids and PGE employees working on scoring the bids.

As described in Appendix P of PGE's 2021 All-Source RFP, the affiliate bid will be a solar project in Northeast Oregon. This project does not rely on utility-owned or utility-controlled property or

bid-elements. For this reason, PGE's affiliate bid will not make available bid elements to third-party bidders.

For the avoidance of doubt, PGE clarifies that its affiliate bid for a solar project is separate, distinct, and at a different location than the affiliate bid previously considered and described in Appendix P of the October 15th Final Draft RFP.

PGE's final decision to submit an affiliate bid may be impacted by changes to federal tax law. PGE is closely monitoring changes to federal tax law currently being considered by the United States Congress. Consistent with Order 21-460, should a change of law impact federal tax policy during the course of the RFP, PGE will work with Staff and the IE to identify available schedule changes to allow all bidders to incorporate tax policy changes into bid submissions.

Should a change in tax law impact the number or type of technology of affiliate bids to be submitted into the RFP, PGE will provide an updated notice to the Commission. Provided there is no change in federal tax policy, PGE will submit one affiliate bid for a solar resource located in Northeast Oregon.

DATED this 17th day of December, 2021.

Respectfully Submitted,



Loretta I. Mabinton, OSB #020710
Portland General Electric Company
121 SW Salmon Street, 1WTC1301
Portland, Oregon 97204
(503) 464-7822 (phone)
(503) 464-2354 (fax)
Email: loretta.mabinton@pgn.com