



Portland General Electric

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March 17, 2022

Via Electronic Filing

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

Re: AR 654, Division 87 Revisions

Filing Center:

Portland General Electric (PGE) appreciates the opportunity to comment on the OPUC Staff's proposed revisions to Division 87 Transportation Electrification rules. We note Staff's effort to be responsive to stakeholder and utility comments and recommendations shared in docket AR 654 and previously in docket UM 2165 and are appreciative of this work. The resulting draft rule revisions provide a constructive starting point as parties work toward final recommendations to bring before the Commission.

At a high level, PGE recommends revisions to the draft rules in several key areas:

- Clarifying how acceptance of the TE Plan, approval of the TE Budget, and approval of associated TE program and infrastructure measure applications are related and aligned, so that the TE Plan review process can provide clear, comprehensive resolution.
- Adjusting the filing cadence for TE Plans and TE Reports and clarifying the purpose and content of TE reports.
- Refocusing rule language that addresses the acceptance and approval process for TE Plan, TE Budget, and program and infrastructure applications to be less detail specific, more flexible and thus less prone to requiring future revision.

Our specific questions and suggestions are as follows:

OAR 860-087-0010 Definitions

Many of the definitions in this section attempt to address various groups identified – but not specifically defined – in House Bill 2165¹, yet the proposed draft rules do not use these terms. It is not common practice to define terms in an administrative rule that are not subsequently used in the adopted rule. PGE understands the value of defining these terms, so all parties share a common understanding; however, the definitions of these terms may evolve over time. Therefore, PGE suggests Staff remove the definitions of terms that are not used in the proposed draft rules. PGE suggests Staff retain them as working terms and definitions to be revisited through Commission guidance or order.

¹ House Bill 2165, 81st Oregon Legislative Assembly 2021, available at <https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB2165/Enrolled>

We also note that “Transportation Electrification Investment Framework” likewise defines a term not used in the proposed draft rule.

OAR 860-087-0020 Transportation Electrification Plan

PGE recommends this section be reorganized for clarity to address:

- Objective
- Process
- Content
- Programs / infrastructure measures
- Budget
- Plan, program / infrastructure measure, and budget updates

In these subsections, we specifically recommend:

Objective

Clarify that the TE Plan contain the utility’s TE budget, including but not limited to the Monthly Meter Charge budget, as well as the utility’s portfolio of investments and long-term strategy.

Process

Define relationship between TE Plan acceptance and TE Budget, program, and infrastructure application approvals: PGE recommends the *Process* section provide greater clarity regarding the relationship between TE Plan acceptance and TE Budget, TE program and TE infrastructure measure application approval. While the draft rules specify that expenditures may be approved by the Commission on a similar timeline it does not clearly explain how Commission action on the plan, budget, and program and infrastructure measure applications will be aligned. The Commission has latitude to require modifications to any of these items, but the draft rules leave open the possibility that the Commission could accept a plan, yet deny the budget or programs intended to implement the plan. PGE suggests this potential misalignment could be addressed by simply stating that TE Plan acceptance (or acceptance with modification) will constitute approval (or approval with modification) of the associated budget and programs or infrastructure measures. The Commission could also exercise its authority to require the utility to make changes if needed to the plan, budget, or program or infrastructure measure applications as a condition of acceptance and or approval.

Adjust filing cadence: Current draft Section 2(b) states that plans must be filed by May 1 every two years after previous TE Plan acceptance or as otherwise directed by the Commission. This language should be clarified, as the plan cannot *both* be filed by May 1 *and* be filed two years after the previous plan was accepted. It also appears that this cadence will oblige utilities to develop a new plan less than two years after acceptance of the prior plan. This would affect the time utilities have to collect lessons learned, provide quality reporting and conduct evaluations. One possible solution would be to shift to a three-year planning cycle,² provided the rules retain provisions for off-cycle updates and program/infrastructure measure applications as addressed below. Alternatively, the draft rules could keep the two-year cycle, but acknowledge that the lessons of the last TE plan may not yet be clear, and that the TE report may be limited to a single year of program activity.

² Both Washington and Colorado have three-year TE planning cycles.

Content of TE Plan

PGE generally agrees with the content provided for in 860-087-0020, 3(a) through 3(g) of Staff's draft rules, with specific suggestions as follows:

Forecast of charging infrastructure needs: PGE recommends that 3(f), relating to a forecast of charging infrastructure needs, be moved to be a subhead beneath 3(a) thus becoming an element of the current and forecasted condition of the TE market in the electric company's service territory. This item should be clarified to include *all* needed charging infrastructure as well as *public* charging infrastructure. PGE also recommends specifying the forecast may use additional available sources of data available as needed and appropriate. PGE proposes the following language: "The developed forecast will use Commission-approved guidance, methodologies, and tools, as well as data from any other appropriate sources. The forecast should include, but not be limited to, an estimate of needed public charging infrastructure over the next ten years and include type, general location, and timing of needed infrastructure."

Data availability: PGE recommends the draft rules be modified to specify the use of data "reasonably accessible to the utility" rather than "existing data" to allow for the fact that third-party data may exist that the utility cannot practically obtain.

Performance measures: As discussed in previous comments³ and workshops, PGE recommends that the rule require utilities to propose specific, portfolio-level performance metrics and targets within their TE Plans. While PGE agrees that benefit cost analysis is an important metric there is considerable work to be done to develop a Commission approved benefit cost tool. Therefore, PGE suggests the draft rule be modified to account for this ongoing process.

Programs / infrastructure measures

Reduce detail in application requirements: PGE recommends reducing the amount of detail in this section. PGE notes that Staff and stakeholders may find the relevance of the information required in section 8(a)(A)(i) through (xiii) may change over time, resulting in a need to revise the rules. This section could be made more general, by shifting the sought-after details to a Staff guidance document adopted through a Commission order.

We also suggest moving 860-087-0020 (8) of the draft rules to immediately follow draft section 3 and moving the budget and expenditure provisions to follow the section describing the content required for program and infrastructure measure applications.

As discussed above, PGE also asks that the process for program and infrastructure measure approval and their relationship with TE Plan acceptance be clarified.

³ PGE's July 14, 2021, comments submitted in UM 2165 [um2165hac17859.pdf \(state.or.us\)](https://efdocs.puc.state.or.us/efdocs/HAC/ar654hac17859.pdf) and February 9, 2022 comments submitted in AR 654 <https://efdocs.puc.state.or.us/efdocs/HAC/ar654hac114840.pdf>

Budget

As noted above, PGE recommends moving draft 860-087-0020 sections 4, 5 and 6 to follow the section addressing required program and infrastructure measure application content. Further, PGE suggests clarifying that the budget approval process includes the Monthly Meter Charge budget.

Approval of TE budget: PGE seeks clarification regarding section 5. Here the draft rules state that the Commission must approve *expenditures*. The following sentences then reference Commission approval of the electric company's TE Budget. PGE is concerned that the implication of this language is that a TE budget can be approved but use of the approved dollars, the expenditures, must also be approved in advance. This would run counter to the portfolio-level approach also championed in the rule.

External Funding Sources: PGE recommends the language in draft 860-087-0020 section 6(c) be revised to reflect the fact that utilities cannot effectively forecast future external funding sources, such as grant funding or proceeds from the sale of Clean Fuels Program credits. Grant opportunities may arise, and funding may or may not be awarded. Clean Fuels Program credit prices are driven by factors PGE does not forecast or control. PGE anticipates communicating proactively with PUC staff about the status of external funding sources during the course of a TE plan period.

Residential Clean Fuels Program credit revenue: PGE reiterates that while we see value in including Clean Fuels Program (CFP) credit revenues and programs within the TE Plan to provide comprehensive context of all program activity, we view utilities as stewards of these non-ratepayer funds. Programs funded through residential CFP revenues complement the rest of the TE Plan portfolio, however these funds and programs are designed to be separate as directed in Order No. 18-376. CFP funds should continue to be treated commensurate with their unique origin.

Utility fleet electrification: While not referenced in the draft rules, we understand from Staff's comments during the public workshop on March 16, 2022, that Staff expects expenditures related to the utility's own fleet electrification to appear in the TE Budget. PGE disagrees with this approach, as our internal fleet electrification is not a program designed to support transportation electrification, nor is it intended as a mechanism to increase customer access to the use of electricity as a transportation fuel. PGE's fleet electrification is an operational initiative designed to reduce cost and risk over time and align PGE's operations with the greenhouse gas emissions goals of the State of Oregon. To the extent that PGE's fleet electrification provides learnings that may be valuable to customers' fleet electrification plans, PGE will continue to integrate these learnings into our TE Plan, programs and infrastructure measures.

Plan, program / infrastructure measure, budget updates

PGE recommends that draft 860-087-0020 section 6(e) be elevated to a separate section of the draft rule and broadened to explicitly address both material budget updates and off-cycle program or infrastructure measure applications. That section should clarify that program or measure applications submitted as TE Plan updates meet the same criteria and content requirements as program or measure applications that are appended to the plan.

PGE also asks that Staff clarify whether the intent is that TE Plan or TE Budget updates are required in the event of other material deviations from planned expenditures or activity, or if updates are expected only in the event that utilities are seeking off-cycle application approvals. PGE recommends that

material deviations from planned expenditures or activity be addressed in the reporting process and through proactive informal communication with Staff, rather than requiring formal Plan or Budget updates for that purpose.

OAR 860-087-0030 - Transportation Electrification Plan Report

PGE recommends that the draft rules clarify the purpose of TE Plan Reports. PGE agrees a reporting cycle is beneficial, but reporting should be related to TE Plan deployed activity and be designed to provide the information most useful to Staff and stakeholders. As conceived in the proposed draft rules, the reporting requirements apply immediately after TE Plan approval, in many cases before deployment or field activity could develop meaningful reportable information. Additionally, if a report must be filed before the next TE Plan is filed and must address all spending in the prior two calendar years, such a report would encompass activity across two or more TE Plans. Though PGE is not averse to reporting on expenditures across TE Plans, PGE wants to submit the most useful and relevant information to the Commission. A discussion regarding the intent of the report, how (or whether) the report should encompass or be differentiated from individual program evaluations, and how it can be most useful to Staff and the Commission would be helpful in redrafting this section to meet intent and need.

As with the program and infrastructure measure application requirements in the draft rule, PGE suggests that Staff consider revising the draft rules to require reporting without specifically delineating all items required in a report. The specifics of a report can then be required through Staff guidance or Commission order and be adjusted as needed.

Conclusion

PGE thanks Staff for their work on the draft Division 87 rules and the opportunity to comment. The company looks forward to reviewing a revised draft rules and to workshop discussions with Staff and stakeholders before the second informal comment period. Please let us know if you have questions or need clarification on any of the points made above.

Thank you,

/s/ Jason Salmi Klotz

Jason Salmi Klotz
Manager, Regulatory Strategy and Engagement