



Oregon

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Public Utility Commission

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June 28, 2022



BY EMAIL

Portland General Electric Company

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RE: Advice No. 22-11

At the public meeting on June 28, 2022, the Commission adopted Staff's recommendation in this matter docketed as ADV 1397. 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

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**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 28, 2022**

REGULAR CONSENT EFFECTIVE DATE July 1, 2022

DATE: June 21, 2022

TO: Public Utility Commission

FROM: Nick Sayen

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

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1397/Advice No. 22-11)
Extends the Residential Testbed Pilot in Schedule 13 through
December 31, 2022.

STAFF RECOMMENDATION:

Approve Portland General Electric's (Company or PGE) Advice No. 22-11, authorizing revisions to Schedule 13.

DISCUSSION:

Issue

Whether the Oregon Public Utility Commission (Commission) should approve revisions to Schedule 13 extending the Residential Testbed Pilot through December 31, 2022.

Applicable Rule or Law

Under Oregon Revised Statute (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.

Oregon Administrative Rules (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 changes 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.

In Order No. 17-386, the Commission directed PGE to establish a Testbed to explore ways to accelerate development of cost-effective demand response to meet PGE's capacity need. The Commission also directed PGE to convene a Demand Response Review Committee (DRRC) to provide guidance in developing the Testbed.¹

Analysis

This memo summarizes background to Schedule 13, the PGE Residential Testbed Pilot, the Company's proposed changes as presented in Advice No. 22-11, and Staff's position on these changes. The memo then discusses expected future filings, stakeholder involvement, and Staff's recommendation to approve the Company's filing.

Background

In 2018, in accordance with Order No. 17-386, PGE formed the DRRC, a group of regional demand response experts.² The Company engaged the group in development of a Testbed proposal, which the Company filed with the Commission in October 2018.³ On April 9, 2019, the Commission approved a new Schedule 13 that launched the Testbed.⁴

The Testbed is comprised of geographically limited areas served by three substations in Milwaukie, Hillsboro, and North Portland that collectively serve approximately 20,000 PGE customers. The Testbed provides a venue for small scale, localized demonstrations of demand response offerings that have potential to scale. This approach provides rapid learnings at minimal cost.

¹ See Docket No. LC 66, Order No. 17-386, <https://apps.puc.state.or.us/edockets/orders.asp?OrderNumber=17-386>.

² DRRC membership includes but is not limited to Energy Trust of Oregon, Northwest Energy Efficiency Alliance, Pacific Northwest National Lab, Oregon Citizens' Utility Board, Oregon Department of Energy, Alliance of Western Energy Consumers, Northwest Power and Conservation Council Staff, and Commission Staff.

³ See Docket No. ADV 859, Initial Utility Filing, Attachment A, <https://apps.puc.state.or.us/edockets/edocs.asp?FileType=UAA&FileName=uaa173123.pdf>.

⁴ See Docket No. ADV 859, <https://apps.puc.state.or.us/edockets/DocketNoLayout.asp?DocketID=21643>.

The Testbed was designed with two phases. In Phase I, residential customers within the Testbed were automatically enrolled in the Peak Time Rebates pilot and received a pay-for-performance incentive when they voluntarily reduced load in response to a day-ahead notice from PGE. The Company studied the performance of this opt-out model and explored how different customer value propositions motivated customers to participate in the pilot. Phase I was designed with the recognition that acquiring demand response resources requires not just one-time customer acquisition, but ongoing customer engagement and motivation to ensure participation in utility-called demand response events. Phase I ended after 2021 and will receive its final evaluation in 2022.

On October 1, 2021, PGE filed its Testbed Phase II Proposal.⁵ The Proposal presented six new demonstration projects as part of a five year \$11M effort. The Commission approved Phase II on November 30, 2021.⁶ Staff notes that neither of these actions revised Schedule 13.

Summary of Proposed Changes

1. *Extend the current tariff and the programs authorized therein by six months, through 2022.*

With this filing, PGE seeks to extend Schedule 13 and the current programs authorized therein by six months to the end of 2022. The current tariff anticipated an expiration date of June 30, 2022. While the majority of Phase I budget and activity has been concluded, the Company stated an extension is necessary to allow for additional data collection for final Phase I evaluation activities. PGE anticipates that the revised expiration date of December 31, 2022, will allow sufficient time to conclude these activities.

Staff supports this extension as it enables the evaluation work that is critical in determining which aspects of Phase 1 activities were effective.

2. *Miscellaneous clean up*

With this filing, PGE seeks to remove reference to Schedule 6 in Special Condition 2 of Schedule 13.

⁵ See Docket No. UM 1976, PGE's Smart Grid Testbed Phase II Proposal, <https://apps.puc.state.or.us/edockets/edocs.asp?FileType=HAD&FileName=um1976had145212.pdf>.

⁶ See Docket No. UM 1976, Order No. 21-444, <https://apps.puc.state.or.us/edockets/orders.asp?OrderNumber=21-444>.

With PGE's Advice No.19-28 filing, the Company withdrew entirely Schedule 6, the Residential Pricing Pilot, as the Pilot was no longer active.⁷ This proposed change removes the outdated reference in Special Condition 2 of Schedule 13. Staff supports this change.

Expected Future Filings

As PGE notes in this filing, the Company plans to make an additional filing later this year to introduce new Phase II Testbed demonstration projects to Schedule 13. The Company plans to start with the Managed EV Charging and Solar Smart Inverter pilots. This approach is consistent with Staff's expectations of either updating Schedule 13 incrementally to facilitate the approved Phase II demonstration projects, or in a manner that will broadly allow for the demonstration projects without multiple revisions.⁸

Stakeholder Involvement

As has been done since 2018, and per the Phase II Testbed Proposal approved in Order No. 21-444, PGE notes in the filing that it has coordinated with the DRRC to develop and design Phase II demonstration projects. Examples of this include marketing strategies, vendor partnerships, technology systems, and eligibility conditions.

Conclusion

This filing seeks to extend Schedule 13 and the current programs authorized therein by six months. This will allow for additional data collection in support of final Phase I evaluation activities. The filing also seeks to remove an outdated reference in Schedule 13 maintaining accurate tariff language. Staff supports these changes and looks forward to a subsequent filing later this year introducing new Testbed Phase II pilots to Schedule 13.

Staff notes that to satisfy the requirements of OAR 860-022-0025, PGE states the following regarding the filing: The changes do not increase, decrease, otherwise change existing rates, or impact revenues.

PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 22-11, authorizing revisions to Schedule 13.

⁷ See Docket No. ADV 1051, <https://apps.puc.state.or.us/edockets/docket.asp?DocketID=22201>.

⁸ See Docket No. UM 1976, Staff Report, page 10, <https://apps.puc.state.or.us/edockets/edocs.asp?FileType=HAU&FileName=um1976hau114337.pdf>.

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SCHEDULE 13 (Concluded)

SPECIAL CONDITIONS

1. The Customer may unenroll from PTR at the next regularly scheduled meter reading. If a Customer unenrolls from PTR, the Customer is not eligible to re-enroll during the pilot period.
2. Customers already enrolled in a demand response offering are not eligible to participate in PTR. This includes, Schedule 3, Schedule 4, Schedule 5, Time of Use under Schedule 7, Schedule 215, Schedule 216, Schedule 217, and the DLC option of this tariff. In addition, Solar Payment Option or Schedule 203 Net Metering Service are not eligible for this Pilot. (C)
3. Incentives may be provided in an on-bill credit on the Customer's next monthly billing statement or by check at the next billing statement after the event season ends.
4. The Company is not responsible for any direct, consequential, incidental, punitive, exemplary, or indirect damages to the participating Customer or third parties that result from performing direct load control on a participating appliance.
5. The Company shall have the right to select the schedule and the percentage of the Customer's appliance(s) to cycle at any one time, up to 100%, at its sole discretion.
6. Customers with interconnected energy storage are only eligible for PTR if the energy storage system is controlled by the Company and not the Customer.
7. The Company will defer and seek recovery of all pilot costs not otherwise included in customer prices.

TERM

This Pilot concludes December 31, 2022. (C)