

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 515

In the Matter of)	
)	
A Rulemaking to Adopt Rules Related to)	COMMENTS OF PORTLAND
Net Metering)	GENERAL ELECTRIC COMPANY

Portland General Electric Company (PGE) offers the following comments regarding the proposed net metering rules that implement ORS 757.300. Net metering allows a customer to offset electric usage by means of a safely interconnected, qualifying generation source. As PGE stated at the April 6th hearing, PGE supports the proposed rules. The resulting rules are innovative and reflect a number of new approaches to accommodate and encourage net metering facilities.

In particular, PGE supports the proposed rules because the rules emerged as a result of a collaborative process that carefully considered and weighed many different options and approaches to key net metering issues. Key issues examined by the stakeholders included the net metering facility kW size limits, interconnection requirements and processes, treatment of excess energy and aggregation of meter usage and net metered output. In addition, the rulemaking process evaluated impacts on other customers that are not net metering customers to assure that reliability and cost impacts to the utilities were adequately addressed and that benefits from net metering accrue to all customers.

The various sections of the proposed rules work together to fulfill the requirements of ORS 757.300. For example, while the rules propose to significantly increase the kW size limit for nonresidential net metering facilities, the rules also provides “scaled” interconnection review

requirements that place more review requirements on large facilities compared to small net metering projects. This provides net metering customers with a clear and convenient process that still assures reliability of the distribution system, and utility and public safety, even with the significant increase in the kW size limit from 25 kW to 2 MW.

Similarly, in an integrated manner the rules provide clarity for the treatment of excess energy, both on a month to month and on an annual basis, as well as a means to assure that net metering facilities are appropriately sized to offset a customer-generators load. Excess energy produced in one month is carried forward to offset energy usage in the subsequent month. An annual kWh carry-forward limit on excess generation achieves the goal that generation (on an annual basis) be limited to a customer's on-site usage.

The proposed rules on aggregating meters (at 860-039-0065) introduce a new option that provides customer-generators with the ability to combine usage from certain other utility electric meters on the customer's contiguous property. The customer is able to offset the usage at the other meters (that are on the same rate schedule) with the generation in excess of the usage at the actual net metering location (the designated meter). This option gives some customers additional capability to appropriately size the net metering facility and manage excess energy production. The rule lays out a balanced process for aggregation that acknowledges the significant administrative requirements of aggregating multiple meters' usage and managing the billing process while allowing aggregation in a manner consistent with statutory limitations.

The key benefit of the proposed aggregation option is that aggregation gives net metering customers the ability extend the reach of a net metering facility's excess generation to additional loads without changing the on-site electrical wiring configuration that would otherwise be necessary. The serving utility continues to serve each separate electricity account and separate

point of delivery to the aggregated meters. The utility also continues to read all the meters, prepares multiple net metered billings after determining the amounts of energy to be offset by specific meter, and maintains records to track excess usage to address annual excess energy disposition. The requirement that aggregation applies to the energy usage only and only between meters on the same rate schedule is important for the reasonable management of the impact of this new and unique option. Further, nothing in the rules limits the customer-generator from rearranging the wiring behind the point of delivery to achieve load aggregation. Therefore, PGE supports the aggregation as proposed and does not recommend modification or expansion of the proposed rule language for this option.

PGE supports the rules as proposed, as they establish a strong base for net metering projects yet balance that with other customer and administrative impacts while ensuring the continued reliability and safety of our system.

Thank you for the opportunity comment on the proposed rules.

DATED this 9th day of May 2007.

Respectfully Submitted,

/S/ J. RICHARD GEORGE

J. Richard George
Assistant General Counsel
Portland General Electric Company
121 SW Salmon Street, 1 WTC 1301
Portland, OR 97204
(503) 464-7611 phone
(503) 464-2200 fax
richard.george@pgn.com



Portland General Electric Company
Legal Department
121 SW Salmon Street • Portland, Oregon 97204
(503) 464-7611 • Facsimile (503) 464-2200

Richard George
Assistant General Counsel

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Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission
Attention: Filing Center
550 Capitol Street NE, #215
PO Box 2148
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Re: AR 515 – NET METERING

Attention Filing Center:

Enclosed for filing in the captioned dockets are an original and one copy of:

- **FINAL COMMENTS OF PORTLAND GENERAL ELECTRIC COMPANY**

This document is being filed by electronic mail with the Filing Center.

An extra copy of this cover letter is enclosed. Please date stamp the extra copy and return it to me in the envelope provided.

Thank you in advance for your assistance.

Sincerely,

J. RICHARD GEORGE

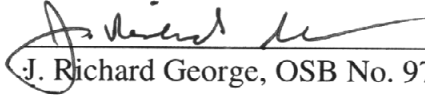
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cc: Service List-AR 515

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **FINAL COMMENTS OF PORTLAND GENERAL ELECTRIC COMPANY** to be served by electronic mail to those parties whose email addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service from OPUC Docket No. AR 515.

Dated at Portland, Oregon, this 9th day of May 2007.



J. Richard George, OSB No. 97469

AR 515 SERVICE LIST

<p>Michael T. Weirich Assistant Attorney General Regulated Utility and Business Section 1162 Court Street, N.E. Salem, OR 97301-4096 michael.weirich@doj.state.or.us</p>	<p>Oregon Solar Energy Industries Jon Miller, Executive Director 1526 S.E. Taylor Street Portland, OR 97214 oseia@oscia.org</p>
<p>Ernest R. Munch Architect – Urban Planner, L.L.C 111 S.W. Oak Street Suite 300 Portland, OR 97204 ermunch@aol.com</p>	<p>Renewable Northwest Project Natalie McIntire 917 S.W. Oak Street Suite 303 Portland, OR 97205 Natalie@rnp.org</p>
<p>Christopher Dymond Oregon Department of Energy 625 Marion Street, N.E. Salem, OR 97301-3737 christopher.s.dymond@state.or.us</p>	<p>Sustainable Solutions Unlimited LLC Steven McGrath P.O. Box 22946 Portland, OR 97269 steve@solutions21st.com</p>
<p>Oregon Public Utility Commission Lisa C. Schwartz, Senior Analyst P.O. Box 2148 Salem, OR 97308-2148 lisa.c.schwartz@state.or.us</p>	