

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 651

In the Matter of

Rulemaking Regarding Direct Access Including
2021 HB 2021 Requirements.

**PORTLAND GENERAL ELECTRIC
COMMENTS ON STAFF'S
DIVISION 38 DIRECT ACCESS
STRAW PROPOSAL**

INTRODUCTION

Portland General Electric Company (PGE) submits these comments in AR 651 *Rulemaking Regarding Direct Access Including HB (House Bill) 2021 Requirements* in response to the Public Utility Commission of Oregon (Commission or OPUC) Staff's September 1, 2022, *Division 38 Direct Access Regulation Straw Proposal*.¹

PGE appreciates Staff's clarifications on its proposed additions and edits to Division 38 Oregon Administrative Rules (OARs), as well as the incorporation of additional stakeholder input following the Public Meeting held July 12, 2022. These comments build upon PGE's response² to Staff's March 23, 2022, *Proposed Division 38 Rule Language*, and comments made at the July 12th Public Meeting in response to Staff's Report.³ In addition, PGE and PacifiCorp (Joint Utilities) circulated comments to the AR 651 service list on August 25, 2022, in response to further proposed changes to the rules circulated by the Northwest & Intermountain Power Producers Coalition (NIPPC).

Staff's most recent draft rules include more specificity on new policy proposals, such as preferential curtailment. While PGE appreciates the additional details provided by Staff, PGE believes it is premature to bring the content of these proposals to the Commission and that all parties would benefit from a workshop or other forum to engage in a dialogue on these important topics. For this reason, PGE recommends that Staff hold a workshop to discuss these new proposals before bringing these to the Commission at a regular public meeting.

¹AR 651, Staff's Straw Proposal, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

²AR 651, INFORMAL PHASE: PGE's Comments on Staff's Straw Proposal, available at: <https://edocs.puc.state.or.us/efdocs/HAC/ar651hac174740.pdf>

³AR 651, Staff Report for July 12, 2022 Public Meeting, available at: <https://edocs.puc.state.or.us/efdocs/HAU/ar651hau154718.pdf>

In these comments, PGE:

- Overall, supports Staff’s proposed updated rules on non-bypassable charges.
- Seeks additional information regarding Staff’s proposals on default supply, provider of last resort (POLR), and preferential curtailment.
- Does not support Staff’s confidential designations in emissions planning reports and reiterates the need to bring electricity service suppliers (ESSs) initial reporting under HB 2021 in closer alignment with the requirements of investor-owned utilities (IOUs) in *UM 2025 Staff Investigation into Clean Energy Plans*.⁴
- Responds to Staff’s proposals for direct access program caps.

I. Non-bypassable Charges

Staff’s September 1, 2022, straw proposal on non-bypassable charges is based on language originally circulated as part of Staff’s Report for the July 7, 2022, Public Meeting and incorporates certain revisions shared with the AR 651 service list from NIPPC and the Citizens’ Utility Board (CUB) (circulated August 5, 2022), the Alliance for Western Energy Consumers (AWEC) (August 22, 2022), and the Joint Utilities (August 25, 2022). PGE appreciates Staff’s collation of stakeholders’ suggestions and agrees that the language, “provides clearer criteria to guide contested case determinations and puts clear boundaries around the arguments that can be made about non-bypassability but does not overly restrict consideration of fairness on a cost-by-cost basis.”⁵ Overall, PGE supports Staff’s proposed updated rules on non-bypassable charges. PGE continues to recommend modification to the factor addressing “fair, just and reasonable rates.” As stated in the redline provided by the Joint Utilities, the question should be whether the allocation is fair and avoids unwarranted cost shifting. Therefore, PGE recommends the following for 1(e) "whether it is fair and appropriate for the charge to be non-bypassable under the Commission's discretion."

II. Default Supply, Provider of Last Resort, Preferential Curtailment

Staff’s Straw Proposal on preferential curtailment provides some policy direction on a utility’s role as POLR, while articulating how that could be effectuated while attempting to prevent unwarranted cost-shifting. As discussed below, this proposal also raises many questions. Under Staff’s proposals PGE would remain the POLR [OAR 860-038-0290§§(2),(5)] with certain

⁴UM 2225, Staff HB 2021 Investigation into Clean Energy Plans, available at: <https://apps.puc.state.or.us/edockets/DocketNoLayout.asp?DocketID=23160>

⁵AR 651, Staff’s Straw Proposal at 1, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

caveats to protect cost-of-service customers.⁶ Staff propose that if an ESS were no longer able to provide service to a direct access customer, and PGE is also unable to provide emergency default service to that customer because market energy or additional PGE generation is unavailable, then PGE may preferentially curtail the returning direct access customer [OAR 860-038-0290(3)]. Staff also propose that a utility “may” collect the costs required to “operationalize preferential curtailment” from a customer through a transition charge [OAR 860-038-0290(4)]. In situations where preferential curtailment is “infeasible” or “would negatively affect the electric system’s reliability” Staff propose that the utility will “plan for and acquire capacity to account for a direct access consumer’s potential return”, the specific cost of which will be recovered through a tariff [OAR 860-038-0290(5)(a)-(b)].

PGE appreciates the additional information on implementation and related costs. However, PGE remains concerned about this potential preferential curtailment policy scheme. To provide parties with a better understanding of how these processes could work and Staff’s reasoning for recommending this policy direction, PGE supports additional investigation of the suite of policy options. We also provide the following questions and comments. PGE’s inclusion of these questions and comments is not exhaustive but demonstrates that this new proposal raises many questions that would need to be addressed before moving to a formal rulemaking.

- [OAR 860-038-0290(1)] “Except as provided in sections (2) and (5), each electric company shall provide preferential curtailment of nonresidential direct access consumers”.
 - How would this be applied to all direct access customers? Would the customer move to direct access only after the infrastructure is installed?
- [OAR 860-038-0290(2)] “If an ESS is no longer providing service, the electric company must attempt to serve the returning consumer with market purchases or the electric company’s excess generation.”
 - “Excess generation” should be defined.
- [OAR 860-038-0290(2)(a)] “If served through market purchases or excess generation, the returning consumer will be charged rates reflecting fully allocated costs for that service as defined in OAR 860-038-0280(3)(b).”

⁶PGE currently effectuates POLR per [Schedule 81](#) (Nonresidential Emergency Default Service), a direct access customer no longer receiving service from its ESS and returning to PGE without the required notice is charged 125% of ICE-Mid-Columbia (Mid-C) Firm Index plus 0.306 cents per kWh for wheeling, plus line losses. After five business days (or before) the customer is moved to PGE’s standard offering (daily market pricing) and has the option of seeking a new ESS.

- The rates charged for this service would need to reflect the fully allocated costs of providing the service, including any steel in the ground costs rather than marginal costs only.
- [OAR 860-038-0290(3)] “If an ESS is no longer providing service and market energy or excess generation is not available, the electric company may preferentially curtail returning nonresidential direct access consumers of that ESS.”
 - As “may” is used, what would be the alternative in the absence of market energy or excess generation?
 - How long would the direct access customer remain curtailed?
- [OAR 860-038-0290(4)] “The electric company may collect a transition charge from a consumer to recover necessary costs for network and transmission system upgrades that operationalize preferential curtailment of that consumer, using a Commission approved methodology”
 - Transition adjustment charges are only collected for five years – would the costs only be collected after they had been incurred? Is Staff envisioning direct assignment to the affected customer?
- [OAR 860-038-0290(5)] “An electric company is exempt from providing preferential curtailment for non-residential direct access consumers if it is infeasible to do so or curtailment would negatively affect the electric system’s reliability”
 - “Infeasible” should be defined. What Commission process would be needed for these determinations to be made?
 - It should be considered whether facilities deemed necessary to public health, safety and welfare are automatically exempt.
- [OAR 860-038-0290(5)(a)] “Where an electric company is exempt from providing preferential curtailment, the electric company will plan for and acquire capacity to account for a direct access consumer’s potential return to the electric company’s service.”
 - Is the capacity that is to be acquired and planned for to be for the sole use of the direct access customer paying for it, or does it become a system resource?
- [OAR 860-038-0290(5)(b)] “The electric company will design tariffs to collect charges from the direct access consumer that only recover the costs of the capacity investment and the generation that serves that consumer.”
 - Staff’s proposals states “recover the costs of the capacity investment *and* the generation that serves the customer [emphasis added]”. Does the capacity

investment enable a returning direct access customer to access emergency default service (when the market or other generation is not available) or are they only able to access the generation from the specific resource behind their capacity investment?

In addition, PGE continues to recommend that the rules explicitly define the term POLR. As we noted in previous comments the term POLR has been used extensively throughout UM 2024 and AR 651, but remains undefined.⁷ A definition of POLR could be readily incorporated into the OAR 860-038-0289 rules describing Default Supply.⁸

III. Confidential Delegations in ESS Emissions Planning Reports

Staff's updated Straw Proposal for ESS Emissions Planning Report (OAR 860-038-0405) maintains a 2027 starting date for ESSs to begin filing an Emissions Planning Report. While HB 2021 requires IOUs to file emissions planning reports "[...] concurrent with the development of each integrated resource plan" it has been left to the Commission's discretion to determine when an ESS should begin providing estimates of the greenhouse gas emissions associated with electricity sold.⁹ PGE has already responded that a 2027 start date for ESSs: is unlikely to lead to continual progress to meeting the clean energy targets; does not embed HB 2021's intent to treat ESSs and IOUs comparably; could lead to insufficient time for the Commission to direct an ESS to change its trajectory if it was not on track to meet its mandated target; and, could lead to a lost opportunity for the Commission to ensure that ESSs make headway on this critical shared climate challenge.¹⁰ PGE has proposed moving the initial ESS initial reporting deadline to 2024, bringing the date into closer alignment with the expectations of IOUs in UM 2225 as well as the intent of HB 2021.¹¹

Furthermore, as PGE discussed at the July 12, 2022 Public Meeting, there are clear benefits between simultaneously planning for both resource adequacy and decarbonization. Such planning synergies would be lost if an ESS does not have to file its initial three-year outlook until 2027. Staff's report for the July 12, 2022 Public Meeting stated "[...] the nature of ESS' resource planning may create administrative process for ESS's and the Commission, but not result in a

⁷AR 651, INFORMAL PHASE: PGE's Comments on Staff's Straw Proposal at 5, available at: <https://edocs.puc.state.or.us/efdocs/HAC/ar651hac174740.pdf>

⁸*Id.* at 33.

⁹An Act Relating to Clean Energy, HB 2021§(4)(1), 81st Oregon Legislative Assembly, 2021 Regular Session, at §§(2)(1), (9)(9) respectively, available at:

<https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB2021/Enrolled>

¹⁰AR 651, INFORMAL PHASE: PGE's Comments on Staff's Straw Proposal at 7-8, available at: <https://edocs.puc.state.or.us/efdocs/HAC/ar651hac174740.pdf>

¹¹*Id.*

meaningful forward-looking reporting framework.”¹² This statement would seem to be in contrast to progress at the Western Power Pool Western Resource Adequacy Program (WPP WRAP), as well as Staff direction in UM 2143 (State Investigation into Resource Adequacy) and UM 2225.

The WPP WRAP has begun its first non-binding resource adequacy forward showings for both the winter 2022/23 and summer 2023 seasons, with many Oregon ESSs, as well as all IOUs, taking part in what they regard as a meaningful, forward-looking framework. Furthermore, Staff’s UM 2143 load-resource balance report observed that “IOUs don’t plan for long-term opt out customers, while ESS’s generally have short-term contracts with the opt-out customers [...] the mismatch between contract length, and resource lifecycles could lead to a situation where no entity is planning for the RA of long-term opt-out customers absent Commission intervention.”¹³

In addition, in the UM 2225 HB 2021 investigation Staff recommend that “utilities test a scenario that demonstrates the portfolio impacts of participation in a regional RA program [...] the utility should demonstrate how the load and resource diversity benefits of a regional RA program would affect their resource needs and resource decisions.”¹⁴ IOUs are being explicitly directed by Staff to begin considering the interactions of planning for resource adequacy with decarbonization requirements, while both IOUs and ESSs are engaging in regional resource adequacy planning exercises with a complementary state resource adequacy framework also under consideration in UM 2143.¹⁵ These current resource adequacy planning exercises further support the case for requiring both IOUs and ESSs to undertake decarbonization planning at the same time.

Staff’s updated Straw Proposal also incorporates language from NIPPC, CUB, and some environmental non-governmental organizations (NGOs) regarding ESS HB 2021 compliance confidentiality (circulated August 1, 2022).¹⁶ Staff states that the newly incorporated language “adds specificity on how parties can access certain categories of information and provides a transparent approach to information sharing via protective order.”¹⁷ PGE notes that under the current proposed language on ESS Emissions Planning Report – Availability of Information [OAR 860-038-0405(8)] an ESS’s “Action plan that specifies annual goals and resources [...] that the ESS plans to use to meet the load and emissions forecast consistent with the DEQ [Oregon Department of Environmental Quality] emissions reporting methodology” will be available for review only by non-market participants that have executed a modified protective order. This level of confidential treatment of an ESS’s emissions action plan could limit transparency and public

¹²AR 651, Staff Report for July 12, 2022 Public Meeting at 5-6, available at:

<https://edocs.puc.state.or.us/efdocs/HAU/ar651hau154718.pdf>

¹³UM 2143, Staff Report at 9, available at: <https://edocs.puc.state.or.us/efdocs/HAU/um2143hau154059.pdf>

¹⁴UM 2225, Staff Workshop Presentation at Slide 11, available at:

<https://edocs.puc.state.or.us/efdocs/HAH/um2225hah17049.pdf>

¹⁵UM 2143, Investigation into Resource Adequacy in the State, available at:

<https://apps.puc.state.or.us/edockets/DocketNoLayout.asp?DocketID=22698>

¹⁶AR 651, Staff’s Straw Proposal at 6-8, available at:

<https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

¹⁷ *Id.* at 2.

investigation. It is unclear whether Staff intends to set forth a paradigm for this same level of protection for IOU's plans.

While PGE understands stakeholder proposals regarding ESS commercially sensitive information such as pricing, emission action plans should be subject to the same level of public scrutiny regardless of the type of load serving entity. It is essential that the HB 2021 reporting and disclosure requirements for ESSs under discussion in AR 651 should align with the reporting and disclosure requirements for IOUs being explored in UM 2225 *Staff HB 2021 Investigation into Clean Energy Plans*.¹⁸ PGE observes that to address HB 2021 expectations for continuous progress and examine the cost/timing tradeoffs in reducing emissions, Staff has issued draft guidance to utilities in UM 2225 establishing detailed expectations for publishing portfolio-level and facility-level emissions data on an annual basis for scenarios analyzed for the integrated resource plan/clean energy plan (IRP/CEP) process.¹⁹ Furthermore, Staff's guidance would direct utilities to identify, quantify, and incorporate both community-based renewable energy projects (CBREs) and their accompanying community benefits, including resiliency, via additional analysis and a partial waiver of IRP guidelines governing least risk, least cost.²⁰ PGE does not support rule language that would not also subject ESSs to the same expectations for continuous progress as utilities, or that otherwise leads to disparate treatment of IOUs and ESSs.

IV. Direct Access Program Caps

PGE acknowledges the Commission's direction at the July 12, 2022, Public Meeting for stakeholders to clarify their position regarding direct access caps, and to that end Staff proposed positions on rule language to stimulate engagement.²¹ PGE provides initial responses to Staff's positions below, while also recommending that any final decisions on caps should only be made after the resolution of the Commission's *Investigation into Resource Adequacy (RA) in the State* (UM 2143).²² As the state and the region work to resolve impending resource adequacy issues while decarbonizing the electric system in line with state policy goals, it is imperative that these program caps remain in place.

As a preliminary matter, PGE recommends modifying Staff's framing of caps. Staff outlines certain factors that must be considered before the Commission "may impose a cap".²³ Instead, the

¹⁸UM 2225, Staff HB 2021 Investigation into Clean Energy Plans, available at: <https://apps.puc.state.or.us/edockets/DocketNoLayout.asp?DocketID=23160>

¹⁹UM 2225, Staff Straw Proposal, available at: <https://edocs.puc.state.or.us/efdocs/HAH/um2225hah11736.pdf>.

²⁰*Id.*

²¹AR 651, Staff's Straw Proposal at 2, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

²²UM 2143, Investigation into Resource Adequacy in the State, available at: <https://apps.puc.state.or.us/edockets/DocketNoLayout.asp?DocketID=22698>

²³AR 651, Staff's Straw Proposal at 3 available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

burden is on parties to show that unwarranted cost shifting will not occur. Framing it in this way more closely aligns with the statutory prohibition against unwarranted cost-shifting.

As PGE previously discussed, other western partially deregulated states have capped the direct access market to protect customers and maintain a reliable system while providing customer choice.²⁴ California’s direct-access program was initially open-ended,²⁵ but had caps introduced for existing customers (and then was closed to new entrants) after the 2001 Energy Crisis.²⁶ In 2010 the California direct access program was reinstated with caps below pre-2001 levels²⁷ and was modestly increased in 2018.²⁸ The Arizona Public Service Company’s regulator decided to maintain a program cap even though the utility was required to continue to provide for resource adequacy for customers taking competitive supply.²⁹ In Nevada, the state’s Public Utility Commission requires that utility IRPs identify appropriate limits on the volume of competitive supply choices, with a requirement that customers seeking such an option demonstrate their election is in the public interest.³⁰

Currently, caps are an essential tool to help mitigate the potential for cost shifting and unplanned load shifts as they place limits on “unknown and unknowable” system impacts and on the amount of load that can return on short notice that PGE is then required to serve with emergency default service as the POLR.³¹ As Staff noted, their proposal regarding direct access customers being exempt from preferential curtailment contributes to the risk of unexpectedly returning load and should feed into the discussion of caps.³² Determining how many direct access customers (and their load) are exempt from preferential curtailment—and therefore eligible to pay for capacity to cover PGE’s POLR services—will likely take a substantive amount of time and engineering studies given PGE’s long-term direct access program has around 400 service points of connection with nearly 90% of those underground.

²⁴ UM 2024, PGE Phase I Opening Comments at 39-41, available at:

<http://edocs.puc.state.or.us/efdocs/HAC/um2024hac154125.pdf>

²⁵ “AB 1890.” California State Legislature. 24 Feb 1995. Retrieved from

http://www.leginfo.ca.gov/pub/95-96/bill/asm/ab_1851-1900/ab_1890_bill_960924_chaptered.html

²⁶ “Bill Analysis.” AB 117. California State Legislature. 25 Jun 2002. Retrieved from

http://www.leginfo.ca.gov/pub/01-02/bill/asm/ab_0101-0150/ab_117_cfa_20020625_115107_sen_comm.html

²⁷ SB 695 Section 2.365.1.(b). California State Legislature. 11 Oct 2009 Retrieved from

http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=200920100SB695

²⁸ “SB 237 Chapter 600.” California State Legislature. 20 Sep 2018. Retrieved from

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB237

²⁹ Arizona Corporation Commission, Docket No. E-01345A-19-0236. “Direct Testimony of Leland R. Snook.” dated October 31, 2019. Retrieved from:

http://s22.q4cdn.com/464697698/files/doc_downloads/regulatory_info/2019/Leland-Snook.pdf

³⁰ Brooks, Chris. “SB547: A History of NRS 704B and Energy Deregulation in Nevada.” Nevada Legislature. Retrieved from:

https://www.leg.state.nv.us/App/NELIS/REL/80th2019/ExhibitDocument/OpenExhibitDocument?exhibitId=43882&fileDownloadName=SB547_Presentation_Senator%20Brooks.pdf

³¹ UE 335, Order No. 19-128, available at: <https://apps.puc.state.or.us/orders/2019ords/19-128.pdf>

³² AR 651, Staff’s Straw Proposal at 2, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

The initial starting point for the implementation of caps in the rules should be the long-term direct access 300 MWa cap and the new load direct access 119 MWa cap. PGE initially responds to each of Staff’s proposals establishing guidelines for the Commission to decide whether a cap should be imposed, noting that the “specific amount of increase to DA [direct access] load, level of risk, and amount of costs that trigger the criteria above can be determined in the contested case phase”.³³ Staff propose that the Commission may impose a cap if:

- **An increase in DA load compromises system reliability.**
 - **PGE response:** Staff’s proposal notes that they plan “to recommend requirements for an ESS to demonstrate resource adequacy (RA) either through participation in a regional RA program or a statewide program in Docket No. UM 2143”.³⁴ Staff also propose that if an ESS fails and PGE is unable to provide emergency default service a direct access customer should be preferentially curtailed (unless the customer is exempt in which case they would compensate the utility for the capacity required for POLR service).³⁵ Both of these Staff proposals could go some way to protecting cost-of-service customers from compromised system reliability as a result if increased direct access loads. Even so, compromised system reliability would certainly be an impact where the Commission should use a cap “to place bounds on potential negative outcomes.”³⁶
- **An increase in DA load shifts an unacceptable amount of cost to COS customers.**

and

- **An increase in DA load poses undesirable long term financial impacts to COS customers or the electric system.**
 - **PGE response:** ORS 757.607 states the Commission shall ensure “[t]he provision of direct access to some retail electricity consumers must not cause the unwarranted shifting of costs to other retail electricity consumers of the electric company.”³⁷ Unwarranted and/or “unacceptable” cost-shifting, along with “undesirable long-term impacts”, would seem to be grounds for the Commission to limit access to the direct access program.
- **An increase in DA load poses other unmitigated risk to COS customers.**

³³AR 651, Staff’s Straw Proposal at 3, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

³⁴ *Id.* at 1.

³⁵AR 651, Staff’s Straw Proposal at 1-2, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

³⁶ UE 335, Order No. 19-128 at 3, available at: <https://apps.puc.state.or.us/orders/2019ords/19-128.pdf>

³⁷ ORS 757.607 Direct Access Conditions – Cost Recovery, available at: https://oregon.public.law/statutes/ors_757.607

- **PGE response:** The Commission has observed in Order No. 19-128 that it “[...] routinely use[s] caps and limits to place bounds on potential negative outcomes, particularly where future system impacts for a course of action are unknown or unknowable.”³⁸ “Other unmitigated risks” would seem to fall into the definition of “unknown or unknowable” impacts.

Staff’s Straw Proposal also reminds stakeholders of Staff’s previous policy positions on caps and invites feedback.³⁹

- **To the extent that caps are implemented in a future contested case, Staff proposes that overall DA caps will be recalculated each year, or another regular interval, prior to the annual election window to determine availability under the cap. Caps would be updated to be responsive to the ongoing risks of the program.**
 - **PGE response:** As PacifiCorp has stated, to the extent that caps may need to be revisited in response to changes in the industry and the power system, such changes are likely to be contentious and impose a significant administrative burden on all involved; therefore “a rule might allow a party to petition to reopen a cap after a specific number of years” rather than automatically every year.⁴⁰
- **Petitions to exceed a cap will be examined through a 90-day process.**
 - **PGE response:** PGE has previously stated its opposition to the proposal regarding petitions to exceed the capacity cap, such as a 90-day process akin to the methodology for the voluntary renewable energy tariff (VRET). That petition is used in a cost-of-service tariff and is not directly applicable to long-term opt-out direct access customers.⁴¹ As Staff’s proposed cap guidelines above explicitly indicate, expansion of direct access has potential implications for system reliability, cost-shifting, undesirable long-term financial impacts, and other unmitigated risks to cost-of-service customers. As well as being highly complex such a petition would also likely not be meaningfully resolvable in 90 days.
- **Behind-the-meter (BTM) load growth can be accommodated provided all risks and cost shifts are addressed through transition charges or RA [resource adequacy]. A phased approach could address the rate of BTM growth by allowing only a certain percentage of BTM load growth each year.**

³⁸UE 335, Order 19-128 at 3, available at: <https://apps.puc.state.or.us/orders/2019ords/19-128.pdf>

³⁹AR 651, Staff’s Straw Proposal at 3, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>

⁴⁰AR 651, INFORMAL PHASE: PAC’s Comments on Staff’s Straw Proposal at 3, available at: <https://edocs.puc.state.or.us/efdocs/HAC/ar651hac16731.pdf>

⁴¹AR 651, INFORMAL PHASE: PGE’s Comments on Staffs Straw Proposal at 5, available at: <https://edocs.puc.state.or.us/efdocs/HAC/ar651hac142445.pdf>

- **PGE response:** PGE has previously stated that the absence of rule language limiting BTM load growth creates an exception to the existing direct access caps.⁴² PGE has proposed that once caps are reached any further load growth be placed on cost of service.⁴³ It is not clear how Staff envisions BTM load growth in excess of caps would interact with Staff’s proposal for petitions to exceed a cap. PGE also notes that showing “all risks and cost shifts are addressed through transition charges or RA” will likely not be possible until the resolution of UM 2024 and UM 2143.⁴⁴

CONCLUSION

PGE recommends that Staff hold a workshop to discuss their new proposals before bringing these to the Commission at a regular public meeting.

Respectfully submitted this 15th day of September 2022.

/s/ Jason Salmi Klotz

Manager, Regulatory Strategy and Engagement

Enclosures:

cc: Michael O’Brien

Stefan Brown

⁴²AR 651, INFORMAL PHASE: PGE’s Comments on Staff’s Straw Proposal at 4, available at: <https://edocs.puc.state.or.us/efdocs/HAC/ar651hac174740.pdf>

⁴³ UM 2024, PGE Straw-Proposal for Changes to Long-term Direct Access Programs at 12, available at: <https://edocs.puc.state.or.us/efdocs/HAC/um2024hac82045.pdf>

⁴⁴ AR 651, Staff’s Straw Proposal at 3, available at: <https://edocs.puc.state.or.us/efdocs/HAH/ar651hah164623.pdf>