



**Portland General Electric**

121 SW Salmon Street • Portland, OR 97204  
portlandgeneral.com

August 12, 2022

Via Electronic Filing

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

Re: Dockets No. AR 654, Div. 87 Revisions, and UM 2165, Transportation Electrification Investment Framework

Filing Center:

Portland General Electric (PGE or the Company) appreciates the constructive engagement process Staff led in developing revisions to the Division 87 Transportation Electrification (TE) rules and accompanying Staff guidance. By reference, PGE reiterates with these comments its support for the draft rule revisions, along with the detailed recommendations and requests for clarification of the draft revisions PGE offered in prior AR 654 written comments.<sup>1</sup>

PGE also incorporates by reference here our written comments submitted in UM 2165 and AR 654<sup>2</sup> regarding Staff's guidance to accompany the revised rules. The Company anticipates the recommendations and suggestions in Staff's draft guidance memo will be helpful as we work to comply with the new rules in our forthcoming TE Plan. We understand the intent of the guidance is, in part, to allow flexibility for utilities to adjust the content and structure of utility TE Plans, Budgets and Reports while complying with the Division 87 rules. We also understand Staff or the Public Utility Commission of Oregon (OPUC or Commission) may update the guidance as needed over time, and utilities may deviate from it where circumstances make that appropriate. This will allow utilities to meet Staff and stakeholder expectations while taking into account changing market conditions, available resources and data, growing programmatic and operational experience, and public policy priorities.

Understanding this, PGE offers comments below specific to Staff's draft guidance memo, in support of the oral comments the Company offered at the August 9, 2022 rulemaking hearing. These comments are organized with the section headers used in Staff's draft memo. Where section headers from the memo are not included, the Company offers no additional comment.

#### Clean Fuels Program

- The Company notes the draft guidance could be interpreted to create a conflict between CFP Credit Monetization Principles the Commission adopted in Order No. 17-512<sup>3</sup> and Staff's UM 2165 guidance to utilities to maximize external (non-ratepayer) funding.<sup>4</sup> The Commission's Credit Monetization Principles state: "Credit monetization and electric company market participation strategies should focus on establishing revenue stream stability rather than absolute credit value maximization. Establishing revenue stream stability and timely realization of revenue is more important than maximizing credit price." The governance of credit monetization differs from the principle of "Maximize use of funds for

<sup>1</sup> PGE comments submitted in Docket No. AR 654, June 15, 2022, <https://edocs.puc.state.or.us/efdocs/HAC/ar654hac13341.pdf>

<sup>2</sup> PGE comments submitted in Docket No. UM 2165, July 19, 2022, <https://edocs.puc.state.or.us/efdocs/HAC/um2165hac172718.pdf>

<sup>3</sup> UM 1826, OPUC Order No. 17-512, page 7 of 11, <https://apps.puc.state.or.us/orders/2017ords/17-512.pdf>

<sup>4</sup> UM 2165, OPUC Staff Report, December 7, 2021, <https://edocs.puc.state.or.us/efdocs/HAU/um2165hau181610.pdf>

implementation of programs” in Order No. 18-376, which prioritizes the use of CFP funds on programmatic efforts over administrative costs.

This potential conflict could be resolved by clarifying in Staff’s guidance that Staff does not intend to direct utilities to adopt a price-focused CFP credit sales strategy, but rather that available CFP funds should be leveraged to support TE-related programs and initiatives.

This point might reasonably apply to other funding sources as well, such as grants or program participants’ contributions, where absolute maximization might not make sense for customers. PGE understands Staff’s intent to be that utilities should make appropriate, strategic determinations for how these funds can complement and leverage ratepayer funds in ways that reduce customer price impact while supporting TE.

### Benefit/Cost Analysis

- PGE recommends deferring determination of whether Clean Fuels Program funds should be included in cost-benefit analysis to the workshops Staff proposes for further discussion and collaboration on the role of BCA in TE budget development and development of a jurisdiction-specific cost test. This topic has not been addressed in the rulemaking or TEIF dockets. We believe it requires Staff, stakeholder and utility exploration to fully consider how CFP funds should be treated.

### Metrics

- PGE strongly recommends adjusting Staff’s proposed language on EV adoption, along the lines recommended by the NW Energy Coalition at the August 9 rulemaking hearing, to avoid attempting to attribute specific EV adoptions to specific utility programs or actions. PGE and stakeholders have repeatedly cautioned against attribution methodology for TE in this rulemaking. Market transformation is beyond the scope of individual utility activity, and would require a much higher level of collective, coordinated action, investment, and measurement on a regional level or greater – similar to the role played by the Northwest Energy Efficiency Alliance on energy efficiency efforts.

### EV Adoption, Load Forecasting and Power Flow Analysis

- PGE recommends adjusting the language in Staff’s draft EV adoption, Load Forecasting and Power Flow Analysis section to align with the forecasting requirements that currently apply to the Distribution System Plan, so requirements are the same for TE Plans in years that coincide with DSPs as they are in years when the Company will not file a DSP. EV forecasts and corresponding grid needs will be evaluated (including power flow analysis) and prioritized against other grid needs within the DSP process.

### Conclusion

PGE thanks Staff and the Commission for the opportunity to comment and looks forward to Commission consideration of these materials at the August 23 public meeting. Please do not hesitate to contact me if you have questions or need clarification of the above.

Thank you,

/s/ Jason Salmi Klotz

Jason Salmi Klotz  
Manager, Regulatory Strategy and Engagement