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DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

July 15, 2016

VIA ELECTRONIC MAIL ONLY

Attention: Filing Center
Public Utility Commission of Oregon
201 High Street, Suite 100
P.O. Box 1088
Salem, OR 97308-1088

Re: *In the Matter of PORTLAND GENERAL ELECTRIC COMPANY, Annual Smart Grid Report*
OPUC Docket No.: UM 1657
DOJ File No.: 330030-GN0224-16

Filing Center:

On behalf of the Oregon Department of Energy, enclosed for electronic filing today with the Commission are the COMMENTS OF THE OREGON DEPARTMENT OF ENERGY in the above-captioned docket.

Sincerely,

Renee M. France
Senior Assistant Attorney General
Natural Resources Section

Enclosures
RMF:jrs/#7534147
c: Wendy Simons, ODOE

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1657**

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC,)	COMMENTS OF
)	THE OREGON DEPARTMENT OF
2016 Annual Smart Grid Report)	ENERGY
)	
_____)	

Summary

The Oregon Department of Energy (ODOE) is pleased to submit these comments on the 2016 Smart Grid Report (Smart Grid Report) by Portland General Electric (PGE) dated June 1, 2016. ODOE commends PGE for its holistic approach to planning, piloting, and scaling integrated smart grid technology solutions. The breadth of PGE’s initiatives demonstrates the company’s strong commitment to smart grid deployment.

ODOE’s specific comments focus on smart grid metrics, Advanced Metering Infrastructure (AMI), and valuation of energy storage and distributed energy resources (DER).

Smart Grid Metrics

ODOE wants to acknowledge PGE’s decision to utilize the Smart Grid Maturity Model (SGMM) developed by Carnegie Mellon University to inform and monitor the transformation of its grid. PGE’s utilization of this model provides added benefit to the state because it allows for ready comparison of PGE’s efforts to smart grid deployment efforts in other utility service territories across the country.

Additionally, ODOE commends PGE's transparency in reporting a diverse set of smart grid metrics in Appendix 2. In future reports, ODOE would like to see PGE research and identify industry best practices with respect to these metrics.

Advanced Metering Infrastructure

While PGE was an early adopter in the deployment of AMI, ODOE would like to see a more detailed assessment of the deployed technology now that PGE has had several years of operational experience. In particular, ODOE would like to see a quantification of both the direct benefits associated with the AMI deployment (e.g., elimination of PGE's direct labor and fuel costs associated with truck rolls for manual meter reads) and any associated indirect benefits (e.g., benefits to grid operation, improved customer service, etc.).

Storage and Distributed Energy Resource Valuation

ODOE commends PGE for its approach to distributed energy storage valuation and its development of an inter-departmental team within the company to develop a plan for implementation of the storage mandates under HB 2193 (2015). Further, ODOE supports PGE's vision to create a "diversified storage portfolio."

One of the benefits of smart grid deployment is that the technology enables an increased deployment of distributed energy resources more broadly. ODOE would like to see a comprehensive description of PGE's current processes for leveraging its smart grid investments to deploy DER of various types. The department would also like to see PGE include a description of how it evaluates the potential for DER solutions to meet system needs compared to centralized generation or transmission and distribution network upgrades. Such a description (including an identification and description of critical assumptions and inputs) is necessary to

assure stakeholders that PGE does a thorough job of evaluating the comprehensive suite of benefits that DER alternatives can provide.

ODOE commends Portland General Electric on its work and looks forward to future updates about the company's smart grid projects.

DATED this Friday, July 15, 2016.

Respectfully submitted,

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Attorney General

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Of Attorneys for Oregon Department of Energy