

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: June 30, 2020**

REGULAR  CONSENT  EFFECTIVE DATE August 1, 2020

**DATE:** June 23, 2020

**TO:** Public Utility Commission

**FROM:** Mitch Moore and Nicholas Colombo

**THROUGH:** Bryan Conway, Michael Dougherty, John Crider, and Matt Muldoon **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. ADV 1111/Advice No. 20-08)  
Establishes a New Schedule 14 Residential Battery Energy Storage Pilot.

**STAFF RECOMMENDATION:**

Staff recommends that the Public Utility Commission of Oregon (Commission) approve Portland General Electric's (PGE or Company) Advice No. 20-08, which establishes a new Schedule 14 Residential Battery Energy Storage Pilot, effective for service on and after August 1, 2020.

**DISCUSSION:**

Issue

Whether the Commission should approve PGE's Advice No. 20-08, which establishes a new Schedule 14 Residential Battery Energy Storage Pilot, effective for service on and after August 1, 2020.

Applicable Law

ORS 757.205(1) states that a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time.

OAR 860-022-0025 requires that new tariff filings include statements showing the new rates, the number of customers affected, the impact on annual revenue, and the reasons supporting the proposed tariff. Filings that make any change in rates, tolls,

charges, rules or regulations must be filed with the Commission at least 30 days before the effective date of the changes.

The Commission reviews tariffs filed under ORS 757.205 and 757.210 to determine whether they are fair, just, and reasonable.

### Analysis

#### *Background*

PGE submitted this filing to the Commission on April 21, 2020, pursuant to ORS 757.205, ORS 757.210, and OAR 860-022-0025, with a requested effective date of August 1, 2020. The Company requests establishment of a new Schedule 14 for a Residential Battery Energy Storage Pilot. The Company expects the pilot to be conducted through July 31, 2025. Simultaneous with this filing, the Company filed an Application for Deferral of Costs Associated with the Residential Battery Energy Storage Pilot, which will be investigated in Docket No. UM 2078.

In September 2015, the Commission opened Docket No. UM 1751 to implement legislation HB 2193 (2015), which required Pacific Power and PGE to submit proposals to develop qualifying energy storage systems with the capacity to store at least five megawatt hours of energy. The Commission subsequently opened Docket No. UM 1856 to investigate PGE's energy storage proposals.

On August 13, 2018, the Commission issued Order No. 18-290,<sup>1</sup> adopting a partial stipulation (Stipulation) that outlined an approach to the development of five energy storage projects for PGE, of which this residential storage pilot is the fifth and final proposed project. Pursuant to the Stipulation, PGE filed an addendum to the energy storage proposal in January 2019. Staff met with PGE in July 2019,<sup>2</sup> and after that discussion PGE and Staff agreed that PGE would revise the residential storage pilot design, still under the terms of the Stipulation, to address Staff's concerns. PGE met with Staff on January 27, 2020 and February 14, 2020 to discuss progress on revisions to the pilot design, and PGE filed the Revised Residential Storage Pilot Proposal on March 12, 2020.<sup>3</sup>

Staff filed comments on the Company's revised proposal on April 9, 2020, that were supportive of the Company's proposal, with several minor suggested revisions. Staff welcomed the Company to make advice, tariff, and compliance filings as necessary to implement the pilot. Among other comments, Staff asked the Company to consider the

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<sup>1</sup> Docket No. UM 1856, Partial Stipulation filed May 22, 2018.

<sup>2</sup> Docket No. UM 1856, Addendum to PGE's Residential Storage Pilot filed January 25, 2019.

<sup>3</sup> Docket No. UM 1856, PGE's Revised Residential Storage Pilot Proposal filed March 12, 2020.

potential impacts of the coronavirus pandemic on demand for residential battery installations and access to customers' homes.<sup>4</sup> Although it was not required to be filed in a docket, the Company developed a detailed, revised marketing plan in light of the pandemic and shared it with Staff informally April 16, 2020.

This residential battery energy storage pilot will evaluate the ability of residential batteries to deliver services in support of PGE's electrical system. The battery energy storage pilot offers incentives to allow the Company to manage the charging and discharging of customer batteries with the option for a customer override.

#### *Effects of filing*

This filing implements Schedule 14, which defines the parameters of the battery storage pilot. It has no effect on customer rates. Costs associated with the pilot will be deferred under Docket No. UM 2078 and will be amortized in a future filing.

#### Conclusion

Staff has reviewed the Company's filing and finds that the proposed Schedule conforms with Staff's expectations and accord with Staff's comments on the Company's revised proposal in UM 1856. Staff recommends the Commission approve the Company's application.

#### **PROPOSED COMMISSION MOTION:**

Approve PGE's Advice No. 20-08, which establishes a new Schedule 14 Residential Battery Energy Storage Pilot, effective for service on and after August 1, 2020.

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<sup>4</sup> Docket No. UM 1856, Staff's Comments on PGE's Revised Residential Storage Pilot Proposal filed April 9, 2020.