

ITEM NO. CA4

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 23, 2015

REGULAR _____ CONSENT X EFFECTIVE DATE July 8, 2015

DATE: June 12, 2015

TO: Public Utility Commission

FROM: Elaine Prause *EP*

THROUGH: *J* Jason Eisdorfer and *AA* Aster Adams

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. ADV 50/Advice No. 15-15)
Revises Schedule 341 Energy Efficiency Upgrade Voluntary On-Bill Repayment Service.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Portland General Electric's (PGE or Company) revision to its Schedule 341 tariff, as described in Advice 15-15, to be effective July 8, 2015.

DISCUSSION:

Issue

PGE proposes to revise its tariff, Schedule 341. Schedule 341 is an optional On-Bill repayment service to customers who have obtained energy efficiency upgrade financing offered through programs managed by Energy Trust of Oregon (Energy Trust). This tariff is optional for customers and is separate from the Energy Efficiency and Sustainable Technologies (EEAST) loan program described in and governed by ORS Chapter 470. The specific revision PGE proposes is to expand eligibility of the tariff to customers who are owners of multifamily buildings or dwellings where the primary heating source may not be electricity but where the majority of energy efficiency improvement expenses to be funded through the loan are for electric energy savings.

Pertinent statutes and rules

Under ORS 757.210, the Commission reviews proposed tariff changes to determine whether the resulting tariff provisions are fair, just and reasonable.

OAR 860-022-0025 requires that utilities proposing a tariff change must submit:

- (a) A statement plainly indicating the increase, decrease, or other change thereby made in existing rates, charges, tolls, or rules and regulations;
- (b) A statement setting forth the number of customers affected by the proposed change and the resulting change in annual revenue; and
- (c) A detailed statement setting forth the reasons or grounds relied upon in support of the proposed change.

Analysis

Background

PGE originally filed the tariff on June 10, 2014, with an effective date of July 9, 2014. The purpose of the tariff is to enable customers to access low-cost, long-term financing provided through a third-party financial institution for energy efficiency measures where repayment of the loan is included and separately stated on the customer's bill.

The tariff is similar to Schedule 340, where PGE provides On-Bill Repayment Service in compliance with the EEAST legislation, codified as ORS 470.720, but is provided on a voluntary basis by PGE for Energy Trust program participants with a separate source of third party lending. Energy Trust, through a contracted third party, qualifies customers for the loan and repayment service and establishes a contract with the customer for repaying the loan.

Energy Trust currently offers this loan option for participants on its moderate income residential program track named Savings Within Reach, as well as for the multifamily affordable housing program named MPower.

To qualify for PGE's Schedule 341 tariff, customers must be PGE customers of record and own the dwelling or building in which the primary heat source is electricity. Within the Mpower program, Energy Trust is anticipating On-Bill repayment participation requests for lighting-only projects in multifamily buildings that are not heated with electricity. Under the current tariff, these customers would not be eligible to participate.

PGE and Energy Trust seek to expand eligibility of this voluntary tariff to customers who are owners of multifamily buildings or dwellings where the primary heating source may not be electricity but where the majority of energy efficiency improvement expenses to be funded through the loan are for electric energy savings. This specification is consistent with conditions already within the PGE/Energy Trust Operating Agreement for this service which requires that for the multifamily program, *"Program loans will integrate on-bill repayment service by the utility to which Energy Trust claims the majority of energy savings from which the project that is being financed."*

Staff's Conclusions

Staff has reviewed this proposed tariff revision and finds it consistent with Staff's understanding of the current voluntary On-Bill repayment program.

Staff is also satisfied that the proposed tariff change meets the requirements of ORS 757.210 and OAR 860-022-0025. OAR860-022-0030(1) does not apply to this tariff because this filing does not propose changes or increases in rates.

Finally, Staff is satisfied that the proposed changes reflect no substantive change to services currently provided under the tariff and that this adjustment will enable more customers to access low-cost, long-term financing for energy efficiency projects while continuing to support the existing PGE/Energy Trust operating agreement related to majority savings.

PROPOSED COMMISSION MOTION:

Portland General Electric's (PGE or Company) requested revision to Schedule 341 tariff, as described in Advice 15-15, be approved to become effective July 8, 2015.