

# Sanger Law PC

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## Via Electronic Mail

May 22, 2018

Filing Center  
Public Utility Commission of Oregon  
201 High St. SE  
Salem, OR 97301

Re: In the Matter of PORTLAND GENERAL ELECTRIC COMPANY  
Draft Storage Potential Evaluation  
Docket No. UM 1856

Dear Filing Center:

The enclosed Errata to Exhibit 300 of the Northwest and Intermountain Power Producers Coalition (“NIPPC”) and the Alliance of Western Energy Consumers (“AWEC”) corrects page 4 of the Surrebuttal Testimony of Benjamin Fitch-Fleischmann filed on April 24, 2018. We have provided a clean copy and as well as a strikethrough version to demonstrate the changes made.

Please do not hesitate to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Min Hu', written in a cursive style.

Min Hu

1 A. *The Risks PGE Raises About Third-Party Ownership Are Unsupported*

2 **Q. HOW DO YOU RESPOND TO PGE’S ASSERTION THAT THIRD-PARTY**  
3 **OWNERSHIP WOULD CREATE FINANCIAL, SAFETY AND LIABILITY RISKS**  
4 **FOR PGE?**

5 A. The risks that PGE raises, while possible, are only speculative at this point. Additionally, PGE  
6 has overlooked the possibility that it could specify contractual conditions in the RFP requiring  
7 a third-party owner to assume certain risks, and PGE offers no evidence or explanation for how  
8 these risks would be reduced via utility ownership. PGE simply states that it has “internal  
9 processes in place to mitigate them,”<sup>2/</sup> yet PGE also acknowledges that “PGE does not have  
10 specific internal processes to mitigate risks for an [ESS], which is why the learnings from this  
11 pilot project are crucial.”<sup>3/</sup> Why should PGE’s ratepayers be expected to pay extra for PGE to  
12 learn what others already know? Given that other utilities and energy storage providers have  
13 already confronted these problems, and learned how to solve them, shouldn’t PGE at least  
14 entertain the possibility of a variety of ownership structures to ensure it acquires the least-cost  
15 resource?

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<sup>2/</sup> UM 1856/PGE/300, Murtaugh-Riehl/5:2-3.

<sup>3/</sup> AWEC-NIPPC/301, Fitch-Fleischmann/5 (PGE Reply to AWEC Data Request 026).

1 Examples include Tesla's 80 MWh facility sited at Southern California Edison's Mira Loma  
2 Substation<sup>2/</sup> and Tesla's 2 MWh facility at the Pacific Gas & Electric Rio Oso Substation.<sup>3/</sup>

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<sup>2/</sup> <https://www.pv-magazine.com/2017/02/01/tesla-inaugurates-20-mw-80-mwh-battery-system-in-southern-california/>

<sup>3/</sup> <https://www.utilitydive.com/news/pge-brings-2-mwh-tesla-battery-storage-unit-online-at-substation/436486/>  
<sup>2 4/</sup> UM 1856/PGE/300, Murtaugh-Riehl/5:2-3.

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