

March 6, 2019

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

RE: Advice No. 19-06, New Schedule 55 – Green Energy Affinity Rider (GEAR)

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210 and Oregon Administrative Rule (OAR) 860-022-0025, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18, with an effective date of **March 8, 2019**:

Twentieth Revision of Sheet No. 1-1 Original Sheet No. 55-1 Original Sheet No. 55-2 Original Sheet No. 55-3 Original Sheet No. 55-4

Consistent with the terms of Order No. 19-075 in Docket No. UM 1953, PGE submits this compliance filing to initiate Schedule 55 – Green Energy Affinity Rider, which will govern the first phase of PGE's approved voluntary renewable energy tariff offering. We request that this schedule become effective March 8, 2019.

PGE is currently developing the "objective power purchase agreement (PPA) criteria" (directed in Order No 19-075 as part of the Customer Supply Option) and plans to publish the criteria no later than March 22, 2019. We will update Schedule 55 at that time to provide instructions regarding where the Customer Supply Option PPA criteria can be found.

To satisfy the requirements of OAR 860-022-0025(2), PGE provides the following response: The proposed tariff sheets for Schedule 55 do not increase, decrease, otherwise change existing prices, or impact revenues.

Should you have any questions or comments regarding this filing, please contact Jacob Goodspeed at (503) 464-7806.

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Please direct all formal correspondence and requests to the following email address: pge.opuc.filings@pgn.com

Sincerely,

Karla Wenzel

Manager, Pricing and Tariffs

Enclosures

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# SCHEDULE 55 LARGE NONRESIDENTIAL GREEN ENERGY AFFINITY RIDER (GEAR)

# **PURPOSE**

This tariff is an optional supplemental service that supports the development of local new renewable resources as defined in Oregon Revised Statute (ORS) 469A.025. Under this Schedule, a Nonresidential Customer may purchase a subscription share of a new renewable facility matched to the preference of the subscribing customer (up to the customer's yearly consumption).

## **DEFINITIONS**

"Local" means that the facility that generates the qualifying electricity for which the bundled renewable energy certificate is issued is located in the United States and within the geographic boundary of the Western Electricity Coordinating Council (WECC). This definition is consistent with ORS 469A.135. Portland General Electric Company (PGE) may seek specific resource locations at the subscribing customer's request.

"Bundled Renewable Energy" or "Bundled Renewable Energy Certificates" means a renewable energy certificate (REC) for qualifying electricity that is acquired by an electric utility or electricity service supplier by a trade, purchase, or other transfer of electricity, or by an electric utility by generation of the electricity for which the REC was issued. This definition is consistent with ORS 469A.005.

"Energy Value" means the energy value calculated using the AURORA model and the same methodologies described in the Integrated Resource Plan (IRP), updated with current assumptions.

"Capacity Value" means the value of capacity, calculated as described in PGE's IRP, at the time which the power purchase agreement (PPA) is executed.

"Company Procured" means a PPA sourced by PGE and offered to subscribers to this program.

"Customer Supply Option" means a PPA sourced by a Subscribing Customer, greater than 10 aMW in load, in collaboration with PGE.

"Subscriber" or "Subscribing Customer" means a PGE Customer served by retail base service, who elects to receive voluntary supplemental service through this program.

#### **AVAILABLE**

In all territory served by the Company.

# **SCHEDULE 55 (Continued)**

#### **APPLICABLE**

This schedule is available – subject to capacity made available within Phase I of the program – to all Nonresidential Customers each of whose aggregate demand across all retail schedules exceeds 30kW. In the event that a Customer has multiple accounts – some of which may fall under 30kW of demand – the Customer will be allowed to aggregate all Nonresidential accounts.

#### **GENERAL PROVISIONS**

- 1. Customers enrolling in this schedule commit to a subscription share of a new renewable facility, matched to the preference of the subscribing customer (up to the customer's yearly consumption).
- 2. In procuring the bundled renewable energy on behalf of the Subscribing Customer, the Company will ensure that renewable energy resources utilized under this schedule are or have been placed in service on or after January 1, 2015.
- 3. The Company shall procure Bundled Renewable Energy on the customer's behalf or through collaborative sourcing with a customer through the Customer Supply Option from a new renewable facility. In the event of yearly under-generation from the renewable energy resource, the Company will purchase RECs on the Customer's behalf to ensure that the Customer's subscribed amount is covered under this tariff. In the event that the renewable energy supplier is no longer able to supply bundled renewable energy to the Customer, the Company, at the election of the Customer, shall make reasonable efforts to enter into a new PPA with another renewable energy supplier as soon as practicable with the cost of the renewable energy to the Customer revised accordingly.
- 4. This schedule is for supplemental retail service, and will be served solely as a supplement to retail base rates by the Company. Subscribing customers who leave retail base service, or who are not currently on retail base service, are ineligible for this program.
- 5. The Company will retire the RECs associated with the energy procured on behalf of the participating Customer.

# **SCHEDULE 55 (Continued)**

#### PRICING STRUCTURE

- 1. While enrolled in this Rider, the Subscribing Customer shall continue to take service under and pay the components of their applicable base rate schedule and all supplemental schedules and riders.
- 2. The Rider rate will pass to Subscribing Customers the costs of acquiring the renewable resource and operating this supplemental program. The subscribing customer will be credited with the Energy Value and Capacity Value (as applicable). These charges and credits will be determined and billed as follows:
  - PPA cost for each MWh under contract;
  - An administrative charge to account for program costs, integration, shaping, firming, and other relevant program expenses;
  - A risk adjustment, if applicable;
  - Credit for Energy Value and Capacity Value, as defined in the "Definitions" section above.
- 3. Subscribers electing to pursue the Customer Supply Option may choose to develop in collaboration with PGE an application for a floating credit for the consideration of the OPUC.
- 4. Non-subscribing Customers will not be subject to PPA costs, administrative costs, or any cost associated with this program, except for the crediting of Energy Value and Capacity Value, as applicable.

#### **CREDITS**

The bill credit amount shall be determined by the Company (subject to regulatory review) consistent with applicable Oregon and federal law and regulation, including 18 C.F.R. § 292, using the Company's IRP methodology to determine the Capacity Value. The credit values for energy and/or capacity will be determined at the time of PPA execution, fixed over the term in which the renewable energy supplier delivers to the Company.

The Company shall submit for regulatory review of the rate and credit calculations agreed upon by The Company and the Customer through a filing to the Staff of the OPUC.

# SCHEDULE 55 (Concluded)

#### **CONTRACT PERIOD**

The Subscribing Customer may elect to subscribe to this Rider for a term between 5 and 20 years, as agreed upon between the Company and the Subscribing Customer. Subscriber shall enter into a contract for service under this Rider for a term and with terms and conditions consistent with the term and terms and conditions of the contract with the renewable energy supplier, or as agreed upon between Company and Subscribing Customer (and subject to regulatory review). If the Subscribing Customer requests an amendment to or termination of the service agreement, or defaults on the service agreement before the expiration of the term of the agreement, the Subscribing Customer shall be subject to termination and default provisions as contained within the subscriber agreement between the Subscribing Customer and the Company.