



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204
PortlandGeneral.com

November 6, 2008

Public Utility Commission of Oregon
Attn: Filing Center
550 Capitol Street, N.E., Suite 215
Salem, OR 97301-2551

RE: PGE's Comments and Draft Tariff in UM 1394 – Western Renewable Energy Generation Information System, Qualified Reporting Entity (QRE)

PGE hereby submits its initial comments and draft tariff provisions in this docket. Attachment 1 includes opening comments on Staff's initial issues list in the October 7, 2008 Staff recommendation to open the UM 1394 docket to investigate QRE services by electric companies. We anticipate that, as provided by the schedule in this docket, the issues will be supplemented with additional questions to help clarify the nature of the requirements to be considered.

A description of the draft tariff provisions for QRE services and an alternative service, is enclosed as Attachment 2. The information presented in Attachment 2, including draft tariff schedules, represents PGE's preliminary efforts to assess the nature, scope, and range of costs for providing the service. The information presented here does not imply that PGE will offer the service described or whether the Commission will approve the proposed service.

Thank you for the opportunity to provide comments in this docket.

Please direct any questions regarding this filing to me at (503) 464-7891. Please direct all formal correspondence and requests to the following email address:
pge.opuc.filings@pge.com

Sincerely,

Doug Kuns
Manager, Pricing & Tariffs

Enclosures
cc: UM 1394 Service List

UM 1394, Staff Issues List
Initial Comments of PGE

In accordance with the October 22, 2008 Prehearing Conference Report & Ruling, PGE hereby submits the following comments on Staff's initial issues list offered in the Staff memo. As the issues list will be further developed through a workshop and further submittals, and there will be an additional opportunity for opening comments on the issues, these comments should be considered preliminary.

In offering these preliminary comments, PGE is not taking a position on the merits of Western Renewable Energy Generation Information System (WREGIS), or of providing Qualified reporting entity (QRE) services to its owned or contracted generation and/or third parties.

1. Does the Federal Energy Regulatory Commission (FERC) have jurisdiction over QRE service provided by electric companies? Does the answer depend on the design of this service and which function of the utility provides the service?

No. PGE does not believe that FERC has jurisdiction over QRE services. Theoretically, the service could be provided in an interstate manner and potentially subject to federal jurisdiction as affecting interstate commerce, but PGE is unsure as to whether FERC would exercise such jurisdiction. PGE does not believe this issue needs to be addressed further in this docket.

2. Would it be discriminatory for a utility to charge for QRE service for unaffiliated entities, but not charge itself for service for owned or contracted facilities?

No. PGE would incur costs for registering as a QRE and providing QRE services for owned and contracted facilities. Assuming PGE does provide this service to generators pursuant to an OPUC-approved tariff, rates charged would be designed to

recover costs incurred in providing the service. PGE does not believe this issue needs to be further addressed in this docket.

3. Is QRE service, except for very small generators, a competitive service?

Yes. WREGIS's Interface Control Document for Qualified Reporting Entities allows QRE service providers to include, but not be limited to, Balancing Authorities, Load Serving Entities, Generator Aggregators, Meter Readers, and Independent Third Parties. There are no legal or WREGIS barriers preventing parties from installing, or reading existing metering and providing QRE services to generators. PGE is aware of other entities, such as "Fat Spaniel" and Viasyn, Inc. which are not balancing authorities and provide such QRE services. To the extent there are perceived market disincentives preventing potential QRE service providers from providing QRE services in PGE's service area or control area, PGE does not believe the Commission has jurisdiction over that market.

4. Should electric companies be required to provide QRE services to all generators upon request?

PGE believes there is a significant question as to whether the Commission has jurisdiction over the provision of WREGIS-defined QRE services by utilities. *See, e.g., In the matter of the Suspension of Tariff P.U.C Or No p-16 of Pacific Northwest Bell Telephone Company, OPUC Order No. 44607.* QRE services by PGE to unaffiliated generators would be services offered for the convenience of private business and not for customers of the general public or those who would be seeking the usual services of an electric utility.

5. What are the estimated costs for providing QRE services to unaffiliated entities and what is the basis for these costs?

See attached tariffs and supporting documentation.

6. Should the utilities charge the full cost for QRE service or would the cost be prohibitively expensive for generators?

If utilities provide QRE service, they should charge the full cost for QRE service, so that utility customers are not unfairly subsidizing other businesses. Oregon utilities are required to provide service to customers at rates that are fair, just and reasonable. See ORS 757.020. Moreover, subsidized rates would be anti-competitive and potentially violate the Commission's mandate to eliminate barriers to the development of competitive market structures. See ORS 757.646.

7. Should the service be subsidized region-wide on a pilot program basis?

As discussed above, the service should not be subsidized by utility customers. The costs should be directly borne by users of the service.

UM 1394
PGE's Draft QRE Services Discussion

As required by UM 1394, PGE has prepared draft tariffs and preliminary comments on establishing PGE as a Qualified Reporting Entity¹ (QRE) for independent generators in the PGE service area. Appendices 1 and 2 are working draft tariff schedules that illustrate two structures for utility-provided Western Renewable Energy Generation Information System (WREGIS) QRE reporting and/or meter data services. Each approach allows eligible renewable generators to arrange to have appropriate information entered into WREGIS that may result in the generator receiving Renewable Energy Certificates (REC's).

PGE may present additional information and issues related to the nature, scope, content and applicability of a draft tariff during this UM 1394 investigation. In addition to the issues raised by Staff in its October 7, 2008 Staff Report, PGE notes potential issues concerning consistency with WREGIS QRE requirements regarding functional separation and implied risks and liabilities of providing QRE services for non-PGE entities that may need to be addressed.

Background and Limitations

The information presented here and as outlined in Appendices 1 and 2 is provided for discussion purposes only. PGE does not commit to provide the services described. The terms, conditions and prices outlined and discussed herein represent limited initial analysis of the subject matter. PGE has not determined if the tariff provisions and underlying services meet all requirements of WREGIS as well as regulatory requirements of the State of Oregon and FERC. There may be other legal or regulatory requirements the tariff provisions must meet.

Discussion of Draft Schedules

Appendix 1, Sch. XXX, WREGIS Renewable Energy Certificates Reporting Service

This schedule sets out terms and conditions for providing a metered-data gathering and reporting service to WREGIS Account Holders in the PGE jurisdictional service territory where PGE is a QRE. This service requires that PGE be registered with WREGIS as a QRE and that independent generators have selected PGE through WREGIS as their QRE. The resource generator must be connected to PGE's distribution system with a valid interconnection agreement. An initial set of conditions and requirements are listed in the draft tariff (although not assumed to be comprehensive).

¹ The QRE service is established and defined by Western Renewable Energy Generation Information System (WREGIS).

This service is optional for the generator.

Significant issues remain unanswered in this draft. Issues include the costs of acquiring metered data, internal data acquisition integrity, data retention requirements, liability and audit functions (which are not currently identified in the charges). WREGIS requirements for a QRE directly affect the services and costs and require further evaluation.

Pricing

Sch. XXX, WREGIS QRE Services is based on an initial assessment of the incremental costs of implementing and maintaining a QRE service for both PGE and independent generators. PGE has not defined where in the organization the function would be housed, therefore, certain aspects of the service and costs are unknown. For purposes of this draft, the unit pricing reflects the nameplate capacity rating of each renewable generator being reported through the QRE service.

Pricing is based on three primary incremental activities and assumptions about on-going activities. The major activities are (1) internal set-up of data gathering capabilities, data transfer, data storage system, training, QRE registration and related processes and procedures in various functional areas of the Company, (2) set-up of each renewable generator's reporting process with PGE and WREGIS, and (3) the on-going data reporting activity which includes gathering, storing, formatting, reviewing, reconciling readings and reporting reading to WREGIS and the WREGIS account holder.

The tariff consists of:

- QRE set-up cost recovery charge: PGE assumes that no new hardware information systems are required to be established in order to gather and record basic meter data. All necessary metering is assumed to be addressed in the appropriate interconnection agreement. At a minimum, the estimated incremental costs are approximately \$10,000 - \$15,000, consisting of staff time to have the simplest form of data collection and reporting programs designed.

We assume for this draft that PGE will utilize the PGE QRE service to report certain RECs from PGE low impact hydro. Therefore the initial set-up costs were prorated on a generator nameplate or RPS-eligible MW basis yielding approximately 83% of set-up costs allocated to PGE and the remaining costs to other generators. The pricing assumes 60 MW total nameplate capacity ratings being reported of which 50 MW is PGE generation. This yields a QRE One Time Fee of approximately \$250. Alternative allocations include use of a per generator fee. A volumetric pricing is not preferred given the incremental activity is not kWh dependent.

In addition, costs associated with time required to interact with each generator to establish the service, review the agreement and set-up accounts are required and need to be recovered in the initial activation fee. The placeholder cost for this activity is \$150.

- On-going data reporting fee: PGE assumes that approximately 0.5 FTE is required in various activities to maintain this service. For simplicity, we assume this translates to annualized estimated cost of \$50,000. Using the same assumption of 60 MW being reported, the monthly charge is approximately \$85.00.

Appendix 2, Sch. 300, Renewable Generation Metered Output Data

This optional service charge approach is a new miscellaneous service charge line item in PGE's Schedule 300 for collecting and transferring REC data information. The service provides a renewable generator or the generator's authorized agent, such as a QRE other than PGE, with the ability to request and receive on a per meter read basis, the metered generation output data. The service is an alternative to the draft tariff described and is an optional service.

The generator and meter must be located in the PGE service area. The meter must be a PGE-owned meter and read remotely. The meter data will be supplied as a single kWh amount. PGE is not the QRE for the renewable generator under this Sch. 300 service.

The draft Sch. 300 service is shown in a redline format to highlight the tariff change.

Pricing

The Sch. 300 fee is established at \$45 per meter reading. The service, although not fully defined at this time, will transfer a meter reading for the renewable generator to the agent (potentially an independent QRE). The service costs include an estimate of the time needed to set-up a simple transfer schedule and the process of transferring data. No hardware system changes are assumed in the cost.

DRAFT

**SCHEDULE XXX
WESTERN RENEWABLE ENERGY GENERATION INFORMATION SYSTEM
RENEWABLE ENERGY CERTIFICATE REPORTING SERVICE**

PURPOSE

This schedule establishes the optional Qualified Reporting Entity (QRE) service to renewable resource generators. The renewable resource generator must be located in the Company's service territory and be a Western Renewable Energy Generation Information System (WREGIS) Account Holder.

AVAILABLE

In all territory served by the Company.

APPLICABLE

This schedule is applicable to resource generation facilities (1) with a nameplate capacity greater than 360 kW at a site connected to the Company's distribution, (2) located with the Company's retail service territory and (3) are WREGIS Account Holders.

CHARGES

QRE One Time Set Up Fee:	\$400.00
--------------------------	----------

MONTHLY

QRE Reporting Fee:	\$85.00
--------------------	---------

DATA REQUIREMENTS

WREGIS Account Holders are responsible for data created and submitted to the Company. The Company will gather the data from meters.

REPORTING

The Company will report to WREGIS monthly for WREGIS Account Holders in accordance with the Interface Control Document (ICD).

Once data has been submitted to WREGIS, the WREGIS Account Holder can track the data directly with WREGIS and not through the Company.

For Discussion Purposes Only 11/6/2008

**Advice No.
Issued**

**Effective for service
on and after**

DRAFT

SCHEDULE XXX (Concluded)

DATA CORRECTIONS / ADJUSTMENTS

Once meter data has been submitted to WREGIS, adjustments can be made by the Company before Certificate creation by WREGIS upon request of the generator. Requested adjustments are solely the responsibility of the generator and must be sent by email to _____@pgn.com. The Company will make such adjustments within 30 days.

Once the Certificate has been created, the Company will make adjustments up to the time specified in the WREGIS Operating Rules.

SPECIAL CONDITIONS

1. The resource generator must be a registered WREGIS Account Holder. The resource generator is responsible for becoming an Account Holder.
2. The Account Holder must have registered applicable generating units with WREGIS as outlined in the WREGIS Operating Rules.
3. The WREGIS Account Holder must pay any applicable fees due to WREGIS.
4. The WREGIS Account Holder must abide by the rules set forth in the WREGIS Operating Rules.
5. The WREGIS Account Holder must be interconnected with the Company and have a valid interconnection agreement if required and necessary metering installed prior to requesting this service.
6. Service Requirements:
 - a. Metering: Appropriate metering must be installed and may require customer payments.
 - b. Meters must be owned and operated by the Company.
 - c. The meter must meet metering standards for Renewable Generating Units as outlined in the WREGIS Operating Rules. In instances of aggregation the generating units must meet Aggregation General Characteristics criteria as outlined in the WREGIS Operating Rules. The WREGIS Account Holder is solely responsible for meeting all standards for generating units.
7. The WREGIS Account Holder must enter into a WREGIS Reporting Service agreement with the Company.
8. The Company provides only the WREGIS REC reporting described herein and the service agreement. The Company does not in any way take title to, own, purchase or otherwise manage in any way the production or subsequent disposition of any reported renewable generation.

DRAFT

**SCHEDULE 300
CHARGES AS DEFINED BY THE RULES AND REGULATIONS
AND MISCELLANEOUS CHARGES**

PURPOSE

The purpose of this schedule is to list the charges referred to in the General Rules and Regulations.

AVAILABLE

In all territory served by the Company.

APPLICABLE

For all Customers utilizing the services of the Company as defined and described in the General Rules and Regulations.

INTEREST ACCRUED ON DEPOSITS (See Rules D and H)

4% per annum.

BILLING RATES (Rules C, E, F, H, I and J)

Trouble call, cause in Customer-owned equipment

Scheduled Crew Hours ⁽¹⁾	No charge
Other than Scheduled Crew Hours ⁽¹⁾	\$170.00
Returned Payment Charge	\$ 25.00
Special Meter Reading Charge	\$ 35.00
Meter Test Charge	\$ 75.00
Late Payment Charge	1.7% of delinquent balance
Field Visit Charge ⁽²⁾	\$ 20.00
Bill History Information Service Charge (Not applicable when a billing dispute is filed with the Commission - see Rule F)	\$ 32.00
Portfolio Enrollment Charge	\$ 5.00
Customer Interval Data (12 months) to Customers	\$100.00
Customer Interval Data (12 months, formatted and analyzed)	Mutually agreed price
<u>Meter Reading and Reporting to Third Party</u> <u>WREGIS Qualified Reporting Entity⁽³⁾</u>	<u>\$ 45.00 per reading</u>
Switching Fee	\$20.00
Unauthorized Connection of Service / Tamper Fee	\$75.00

(1) Scheduled Crew Hours - The Company's Scheduled Crew Hours for the above listed services are from 6:30 a.m. to 10:30 p.m., Monday through Friday, except for Company-recognized holidays. The Customer will be informed of and agree to the charges before Company personnel are dispatched.

(2) See Rule H, Section 2 for applicable conditions.

(3) Includes meter read and data transfer to a third party. The generator and meter must be located in the PGE service area. The meter must be PGE-owned meter and read remotely. Meter installation cost is not included.

For Discussion Purposes Only 11/6/2008

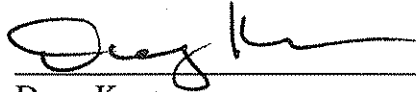
**Advice No.
Issued**

**Effective for service
on and after**

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **COMMENTS OF PORTLAND GENERAL ELECTRIC COMPANY** to be served by electronic mail to those parties whose email addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service from OPUC Docket No. UM 1394.

Dated this 6th day of November, 2008.



Doug Kuns

Manager, Pricing & Tariffs

On behalf of Portland General Electric Company

SERVICE LIST

OPUC DOCKET NO. UM 1394

<p>G. CATRIONA MCCrackEN LEGAL COUNSEL catriona@oregoncub.org (WAIVED PAPER SERVICE)</p>	<p>PACIFIC POWER OREGON DOCKETS oregondockets@pacificcorp.com (WAIVED PAPER SERVICE)</p>
<p>SHAUNA PRATT spratt@usgeothermal.com (WAIVED PAPER SERVICE)</p>	<p>JESSE D. RATCLIFFE ASSISTANT ATTORNEY GENERAL 1162 COURT ST NE SALEM OR 97301-4096 jesse.d.ratcliffe@doj.state.or.us</p>
<p>BONNEVILLE POWER ADMINISTRATION DEBRA MALIN, ATTORNEY 905 NE 11TH AVE PORTLAND OR 97208 djmalin@bpa.gov</p>	<p>BONNEVILLE POWER ADMINISTRATION J COURTNEY OLIVE, ATTORNEY 905 NE 11TH AVE PORTLAND OR 97208 jcolive@bpa.gov</p>
<p>CITIZENS' UTILITY BOARD OF OREGON ROBERT JENKS 610 SW BROADWAY STE 308 PORTLAND OR 97205 bob@oregoncub.org</p>	<p>DAVISON VAN CLEVE PC MELINDA J DAVISON 333 SW TAYLOR, STE 400 PORTLAND OR 97204 mail@dvclaw.com</p>
<p>DEPARTMENT OF JUSTICE MICHAEL T WEIRICH ASSISTANT ATTORNEY GENERAL REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 michael.weirich@doj.state.or.us</p>	<p>ESLER STEPHENS & BUCKLEY JOHN W STEPHENS stephens@eslerstephens.com (WAIVED PAPER SERVICE)</p>
<p>FALLS CREEK HP LIMITED PARTNERSHIP GARY MARCUS PO BOX 359 EUGENE OR 97440 garymarcus1@aol.com</p>	<p>FALLS CREEK HP LIMITED PARTNERSHIP DIANE MOORE PO BOX 359 EUGENE OR 97440 dmoore@frontier-technology.com</p>
<p>IBERDROLA RENEWABLES, INC KEVIN LYNCH kevin.lynch@iberdrolausa.com (WAIVED PAPER SERVICE)</p>	<p>IBERDROLA RENEWABLES, INC TOAN-HAO NGUYEN toan.nguyen@iberdrolausa.com (WAIVED PAPER SERVICE)</p>
<p>IBERDROLA RENEWABLES, INC CARRIE PLEMONS carrie.plemons@iberdrolausa.com (WAIVED PAPER SERVICE)</p>	<p>IDAHO POWER COMPANY RANDY ALLPHIN rallphin@idahopower.com (WAIVED PAPER SERVICE)</p>
<p>IDAHO POWER COMPANY CHRISTA BEARRY cbearry@idahopower.com (WAIVED PAPER SERVICE)</p>	<p>IDAHO POWER COMPANY BARTON L KLINE, SENIOR ATTORNEY bkline@idahopower.com (WAIVED PAPER SERVICE)</p>

IDAHO POWER COMPANY MIKE YOUNGBLOOD myoungblood@idahopower.com (WAIVED PAPER SERVICE)	MCDOWELL & RACKNER PC WENDY MCINDOO, OFFICE MANAGER wendy@mcd-law.com (WAIVED PAPER SERVICE)
MCDOWELL & RACKNER PC LISA F RACKNER, ATTORNEY lisa@mcd-law.com (WAIVED PAPER SERVICE)	OREGON DEPARTMENT OF ENERGY KIP PHEIL 625 MARION ST NE - STE 1 SALEM OR 97301-3737 kip.pheil@state.or.us
PACIFIC POWER & LIGHT JEREMY WEINSTEIN, ATTORNEY jeremy.weinstein@pacificorp.com (WAIVED PAPER SERVICE)	PACIFIC POWER & LIGHT JORDAN WHITE jordan.white@pacificorp.com (WAIVED PAPER SERVICE)
PORTLAND GENERAL ELECTRIC RANDALL DAHLGREN RATES & REGULATORY AFFAIRS 121 SW SALMON ST 1WTC 0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com	PORTLAND GENERAL ELECTRIC J RICHARD GEORGE ASST GENERAL COUNSEL 121 SW SALMON ST 1WTC1301 PORTLAND OR 97204 richard.george@pgn.com
PUBLIC UTILITY COMMISSION OF OREGON LISA C SCHWARTZ, SENIOR ANALYST PO BOX 2148 SALEM OR 97308-2148 lisa.c.schwartz@state.or.us	RENEWABLE NORTHWEST PROJECT ANN ENGLISH GRAVATT SR POLICY ASSOCIATE ann@rnp.org (WAIVED PAPER SERVICE)
RENEWABLE NORTHWEST PROJECT KATIE KALINOWSKI RESEARCH & POLICY ANALYST katie@rnp.org (WAIVED PAPER SERVICE)	RFI CONSULTING INC RANDALL J FALKENBERG PMB 362 8343 ROSWELL RD SANDY SPRINGS GA 30350 consultrfi@aol.com
RICHARDSON & O'LEARY PLLC PETER J RICHARDSON peter@richardsonandoleary.com (WAIVED PAPER SERVICE)	U S OPERATORS INC KEVIN KITZ kkitz@usgeothermal.com (WAIVED PAPER SERVICE)