

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1751

In the Matter of)
)
OREGON PUBLIC UTILITY COMMISSION) PORTLAND GENERAL ELECTRIC'S COMMENTS
) ON DRAFT GUIDELINES FOR STORAGE
) POTENTIAL EVALUATION REQUIREMENTS
Implementing an Energy Storage)
Program Guidelines)

Pursuant to Order No. 16-316 issued August 19, 2016, Portland General Electric Company (PGE or the Company) submits these comments on the Public Utility Commission of Oregon's (Commission) draft guidelines for electric companies to use in considering and designing energy storage comments. Specifically, PGE provides the following comments related to Part C. Storage Potential Evaluation Requirements. PGE will file comments addressing parts A., B., and D. by September 30, 2016 as directed by the Commission.

C. STORAGE POTENTIAL EVALUATION REQUIREMENTS

The requirements set forth in the Commission's proposed Storage Potential Evaluation Requirements are reasonable. PGE proposes the Commission include definitions to accompany the guidelines in order to create greater clarity to the parties in this docket. The most important among those definitions is "storage potential." For these proposed definitions, PGE combines "storage use case" and "storage application." The Commission may wish to provide a distinction.

Storage Potential: the potential for storage to provide value to the electric company and its customers as indicated in Section 3 (1)(a) of HB 2193 (2015 Oregon Laws Chapter 312).

Storage Use Case and Storage Application: a method of operation of storage resources that creates value.

System Locations: the position on the electric grid, such as on the transmission system, at a substation, at a feeder, below a feeder, at a customer premise, behind the meter, etc. System locations do not indicate specific geographic location or address within a utility's service territory.

In addition, PGE proposes the following addition in bold below.

We offer the following four-part process:

1. *Staff will convene workshops starting in late 2016 to develop a framework for the electric companies' evaluations **of storage projects under HB 2193**. Staff will present the agreed-upon framework to the Commission at a special public meeting no later than March 31, 2017.*

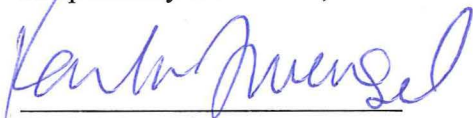
At a minimum, the following issues should be addressed, examined, and—if possible—resolved at the workshops:

- a. *Establish a consistent list of use cases or applications to be considered in the evaluation;*
- b. *Determine the time frame for analyses;*
- c. *Determine the valuation methodology or methodologies for estimating storage potential in each use case or application;*
- d. *Establish criteria for identifying the main opportunities for investment in storage;*
- e. *Determine the approach for identifying system locations with the greatest storage potential; and*
- f. *Establish the level of detail required in the evaluation results and required supporting data.*

PGE is currently developing tools to evaluate storage potential. While it is appropriate to use the guidelines established in this docket to evaluate storage projects under HB 2193, other tools and methods may be appropriate to evaluate projects outside the scope of HB 2193. We note that the industry has not yet settled on best practices for evaluating large-scale storage deployment. Furthermore, PGE understands that the legislation's goal of procuring a range of projects that are differentiated by use case, application, or other differentiating factor and the relative sizes of the qualifying energy storage systems may allow for evaluation outside of the least cost/least risk framework employed in integrated resource planning.

Dated this 16th day of September, 2016

Respectfully Submitted,



Karla Wenzel, Manager
Pricing & Tariffs