



Portland General Electric Company
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Richard George
Assistant General Counsel

September 19, 2016

Via Electronic Filing

Oregon Public Utility Commission
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: **UM 1716- Investigation to Determine Resource Value of Solar**

Attention Filing Center:

Enclosed for filing in the above-referenced docket is Portland General Electric Company's **CLOSING BRIEF** to be electronically filed with the Public Utility Commission of Oregon.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Richard George".

Richard George
Assistant General Counsel

RG:lgh
Enclosures

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1716

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON

Investigation to Determine the Resource
Value of Solar.

Closing Brief of Portland General
Electric Company

I. INTRODUCTION

Following the first round of briefing, PGE observes and agrees with Staff that there is much consensus in this docket regarding Staff's proposed methodology for determining the Resource Value of Solar (RVOS). As we explained in our prior brief, we generally support Staff's recommended elements and methodology and disagree with stakeholders that are seeking to expand the elements to those that are much more tenuous and not broadly applicable. *See, e.g.*, Initial Brief of Renewable Northwest, Northwest Sustainable Energy for Economic Development, the Oregon Solar Energy Industries Association, and the Northwest Energy Coalition.

II. DISCUSSION

PGE emphasizes again the Commission's directive, in Order No. 15-296, that only elements that directly impact the cost of service to utility customers should be included in the RVOS methodology.¹ We do not believe stakeholders proposing to add additional elements to Staff's proposal have met the burden of showing this direct impact. At best, the additional

¹ *In re Public Utility Commission of Oregon*, Docket No. UM 1716, Order No. 15-296 at 2 (Sep. 28, 2015).

elements they advocate have only very hypothetical and case specific linkage to the cost of service to utility customers and generally only to a very small subset of customers with specific limited factual circumstances.

PGE also notes in its opening brief certain issues with regard to how to calculate and apply the RVOS using the elements proposed by Staff. While Staff correctly points out that this discussion will largely be held in later phases of this docket, we stress that some calculation methods and applications, if adopted for various elements, may draw objection from PGE. Thus, even though we now generally agree with the elements as proposed, we may find that how they are calculated or applied poses significant concerns. For example, whether locational considerations are included, (e.g. some locations may provide an avoided distribution cost while others may not), or whether the customer retains the RECs while also being compensated for the environmental benefits in the rate paid, are significant issues for PGE with respect to calculating and applying the elements. Accordingly, we hope the Commission will be informed by our highlighted recommendations in our prior brief for calculation methodologies and application of certain elements.

PGE also agrees with PacifiCorp that some of our concerns over how the elements are calculated or applied may be mitigated to some extent by allowing flexibility for updates to the RVOS to accurately reflect the costs and benefits of solar resources as they may change over time. Such updates could also apply to calculation methodologies and application of the RVOS elements to utilities.

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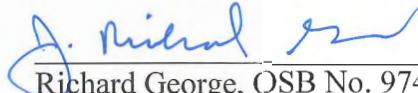
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II. CONCLUSION

PGE appreciates the hard work of Staff and their consultant, E3, in developing this initial framework for an RVOS and looks forward to continued participation in future phases of this docket.

DATED this 19th day of September, 2016.

Respectfully submitted,



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