



Portland General Electric
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April 29, 2021

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

RE: Advice No. 21-11 Schedule 55 Large Nonresidential 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 a requested effective date of **June 2, 2021**.

Second Revision of Sheet No 55-1
First Revision of Sheet No 55-2
First Revision of Sheet No 55-3
First Revision of Sheet No 55-4

Tariff Update

PGE hereby submits updates to its Schedule 55, Large Nonresidential Green Energy Affinity Rider tariff to comply with Commission Order No. 21-091 in UM 1953 approving PGE's Green Tariff tranche 2 offering 200 MW of Voluntary Renewable Energy Tariff (VRET) capacity to subscribing customers.

The following is a summary of the submitted changes:

- Added clarity to the description of Company Procured and Customer Supply options and references to customer to specify Subscribing Customer;
- Noted that available capacity in the program depends on what is approved by the OPUC from time to time;
- Updated general provision #2 to reflect the Commission's order that the renewable energy resource serving the GEAR be operational no earlier than one year before its inclusion in the program¹ and that it may include energy storage associated with an RPS-eligible resource (ORS 469A.120(2)(a))²;
- Changed references from "PPA" to "resource", given that PGE's Phase 1 offering was specifically PPA-based, and that utility ownership is an available option in Phase 2; and

¹ See Order 21-091 at 7 updating condition 3 to state that resources are eligible under the condition if those resources are operational no earlier than one year before being included in the VRET program.

² See Order 21-091 at 5-6, "We, therefore, conclude that energy storage associated with RPS-eligible resources is consistent with the statute, and that including energy storage in a VRET Offering is consistent with the public interest."

- Changed the description of determining bill credits to eliminate the reference to federal PURPA programs as the reference has caused some confusion.³ The reference to PURPA was included in the original tariff filing as PGE had proposed in its initial request, Exhibit 200, Docket UM 1690, when PGE is resource deficient, to credit the value of capacity according to the then approved Schedule 201 avoided cost.⁴ In discussing the PGE proposal in its Order approving the first tranche of the program, the Commission referenced PGE's proposed "QF method," and instead of approving this approach, the Commission directed PGE to use Staff's preferred method for determining capacity value, noting that it most likely would result in the most accurate capacity values given the options presented by the parties in testimony.⁵ Unfortunately, when PGE submitted its Schedule 55, following Order 19-075, PGE erroneously referenced the federal code of regulations provision governing federal PURPA rules. The error came to PGE's attention when it was raised in a discovery dispute. PGE notes that the credit methodology is consistent with Commission Order 19-075 and uses methodology adopted by the Commission.

A redline of Schedule 55 is attached as a courtesy.

Sensitivity analysis for 200MW Phase 2

PGE is working towards completing the updated sensitivity analysis of the proposed expansion of the GEAR program beyond the original 300MW to 500MW as ordered by the Commission and will make a separate supplemental filing in the coming months before offering the 200MW of additional GEAR capacity to customers.

Administrative Fee

In its recent order approving another tranche of 200 MW capacity to subscribers, the Commission noted that a more thorough review of the underlying methodology for calculating the administrative fee is warranted and that the administrative fee must be separately justified.⁶ PGE will file its proposed administrative fee for the 200 MW tranche when it files, for review, the capacity and energy credits associated with the resource providing the renewable energy to Subscribing Customers. This is the same process PGE followed for the first tranche.

To satisfy the requirements of OARs 860-022-0025(2), PGE provides the following response:

Schedule 55 does not increase, decrease, or otherwise change existing retail rates or have anything other than a de minimis impact on revenues.

³ PGE submits its credit calculations to Staff to determine compliance with approved methodology when a resource has been secured and subscription executed.

⁴ See UM 1690, PGE 200, Sims-Tinker 10-11.

⁵ Order 19-075 at 6-7.

⁶ Order 21-091 at page 19.

Please direct any questions regarding this filing to Chris Pleasant at (503) 464-2555. Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing and Tariffs

Enclosures

cc: UM 1953 Service List

PGE Advice No. 21-11
Schedule 55
Large Nonresidential Green Energy Affinity Rider (GEAR)

Courtesy Redline

**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 ~~the resource contract is procured~~which the power purchase agreement (PPA) is executed.

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

"Customer Supply Option" means a ~~PPA-re sourced~~ procured by a Subscribing Customer, with greater than 10 aMW in load or otherwise approved by the Public Utility Commission, in collaboration with PGE. Additional information regarding Minimum PPA requirements may be found at this link: <https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/choose-renewable>

"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 approved by the Public Utility Commission of Oregon (OPUC) from time to time 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 Subscribing Customer has multiple accounts – some of which may fall under 30kW of demand – the Subscribing 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 operational no earlier than one year prior to the resource being included in the program, and may include energy storage associated with RPS-eligible resources as defined in ORS469A.120(2)(a). A Subscribing Customer using the Customer Supplied Option shall ensure that renewable energy resources utilized under this schedule are or have been operational no earlier than one year prior to the resource being included in the program, and may include energy storage associated with RPS-eligible resources as defined in ORS469A.120(2)(a).
3. The Company shall procure Bundled Renewable Energy on the Subscribing eCustomer's behalf – or through collaborative sourcing with a customer for through the Customer Supply Option – from a new renewable energy facility. In the event of yearly under-generation from the renewable energy resource, the Company will purchase RECs on the Subscribing 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 Subscribing Customer, the Company, at the election of the Subscribing Customer, shall make reasonable efforts to procure enter into a new resource PPA on behalf of the Subscribing Customer with another renewable energy supplier as soon as practicable with the cost of the renewable energy to the Subscribing 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 eCustomers who leave PGE's retail base service, or who are not currently on PGE's 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 Subscribing 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 energy resource and operating this supplemental program. The ~~s~~Subscribing ~~e~~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-The~~ cost for each MWh ~~under contract of the applicable resource generated and delivered to the Subscribing Customer;~~
 - 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-Subscribing Customers~~ electing to pursue the Customer Supply Option may choose to develop – in collaboration with PGE – an application for a floating credit for the consideration and approval by ~~of~~ the OPUC.
4. Non-subscribing Customers will not be subject to resource 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~~ resource procurement, 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 ~~T~~the Company and the Subscribing 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. The Subscriber Subscribing Customer 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 the life of the resource, 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-subscription~~ agreement, or defaults on the ~~service subscription~~ 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 subscription~~ agreement between the Subscribing Customer and the Company.

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

PURPOSE

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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 the resource contract is procured. (C)

"Company Procured" means a resource procured by PGE and offered to subscribers to this program. (C)

"Customer Supply Option" means a resource procured by a Subscribing Customer, with greater than 10 aMW in load or otherwise approved by the Public Utility Commission, in collaboration with PGE. Additional information regarding Minimum PPA requirements may be found at this link: <https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/choose-renewable> (C)
(C)

"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 approved by the Public Utility Commission of Oregon (OPUC) from time to time – to all Nonresidential Customers each of whose aggregate demand across all retail schedules exceeds 30kW. In the event that a Subscribing Customer has multiple accounts – some of which may fall under 30kW of demand – the Subscribing Customer will be allowed to aggregate all Nonresidential accounts.

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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 operational no earlier than one year prior to the resource being included in the program, and may include energy storage associated with RPS-eligible resources as defined in ORS469A.120(2)(a). A Subscribing Customer using the Customer Supplied Option shall ensure that renewable energy resources utilized under this schedule are or have been operational no earlier than one year prior to the resource being included in the program, and may include energy storage associated with RPS-eligible resources as defined in ORS469A.120(2)(a)..
3. The Company shall procure Bundled Renewable Energy on the Subscribing Customer’s behalf – or through collaborative sourcing with a customer for the Customer Supply Option – from a new renewable energy facility. In the event of yearly under-generation from the renewable energy resource, the Company will purchase RECs on the Subscribing 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 Subscribing Customer, the Company, at the election of the Subscribing Customer, shall make reasonable efforts to procure a new resource on behalf of the Subscribing Customer as soon as practicable with the cost of the renewable energy to the Subscribing 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 PGE’s retail base service, or who are not currently on PGE’s retail base service, are ineligible for this program.
5. The Company will retire the RECs associated with the energy procured on behalf of the Subscribing Customer.

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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 energy 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:
 - The cost for each MWh of the applicable resource generated and delivered to the Subscribing Customer; (C)
 - An administrative charge to account for program costs, integration, shaping, firming, and other relevant program expenses; (C)
 - A risk adjustment, if applicable;
 - Credit for Energy Value and Capacity Value, as defined in the “Definitions” section above.
3. Subscribing Customers electing to pursue the Customer Supply Option may choose to develop – in collaboration with PGE – an application for a floating credit for the consideration and approval by the OPUC. (C)
4. Non-subscribing Customers will not be subject to resource costs, administrative costs, or any cost associated with this program, except for the crediting of Energy Value and Capacity Value, as applicable. (C)

CREDITS

The bill credit amount shall be determined by the Company, 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 resource procurement, fixed over the term in which the renewable energy supplier delivers to the Company. (C)

The Company shall submit for regulatory review the rate and credit calculations agreed upon by the Company and the Subscribing Customer through a filing to the Staff of the OPUC. (T)
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SCHEDULE 55 (Concluded)

CONTRACT PERIOD

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