

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: April 7, 2020**

REGULAR X CONSENT _____ EFFECTIVE DATE April 7, 2020

DATE: March 30, 2020

TO: Public Utility Commission

FROM: Natascha Smith

THROUGH: Bryan Conway, Michael Dougherty, and JP Batmale **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. UM 2060)
Update to Schedule 201- As-Available Rate.

STAFF RECOMMENDATION:

Suspend Portland General Electric Company's (PGE or Company) update to Schedules 201 and 202 until May 29, 2020, for further investigation.

DISCUSSION:

Issue

Whether the Oregon Public Utility Commission (OPUC or Commission) should suspend PGE's updates to PGE's PURPA Schedules 201 and 202.

Applicable Law

OAR 860-029-0085(5) provides that the Commission may consider out-of-cycle updates to PURPA avoided cost rates to reflect significant changes in circumstances at any time. Out-of-cycle updates are subject to review and approval by the Commission and will become effective within 90 days after filing.

In Order No. 07-360, the Commission specified that rates for unsubscribed energy in the Community Solar Program (CSP) will be the utilities' As-Available Rates for PURPA contracts.

Analysis

On February 28, 2020, PGE filed PGE's Update to Schedules 201 and 202 to establish an As-Available Rate ("Update"). PGE asked for an effective date of April 8, 2020. PGE made its filing in part as a response to the requirement in OAR 860-088-0140(1)(a) for electric companies to purchase unsubscribed generation from a Community Solar Project "on an 'as-available' basis," and in alignment with PGE Advice No. 20-04.¹ In Order No. 07-360, the Commission provided direction for setting an As-Available Rate, stating "as-available QFs shall receive day-ahead non-firm market index rates for on-peak and off-peak energy based on the appropriate market index and market hub(s)."²

PGE asserts that there is no available non-firm market index price that the Company can use to set an As-Available Rate, and that the Western Energy Imbalance Market's hourly rate is an appropriate alternative.³ Staff is working with PGE to fully assess this position. Staff believes it is necessary to allow additional time for stakeholders to engage on PGE's Update to Schedule 201, and for Staff to conduct further investigation.

Staff does not anticipate a lengthy process and plans to submit a recommendation to the Commission regarding PGE's filing by May 2020.

PGE's filing is subject to OAR 860-029-0085(5). Under OAR 860-029-0085(5)(c), an out-of-cycle update is subject to review and approval by the Commission and will become effective within 90 days of the filing, which is May 29, 2020. Staff understands this provision to mean an out-of-cycle update will not become effective without a Commission order expressly approving the update, but that the Commission must act within 90 days.

PGE has asked for an effective date of April 8, 2020, to accommodate the need for an as-available rate in the CSP. To ensure there is no confusion about the effective date of PGE's Update, Staff recommends that the Commission suspend PGE's Update to Schedules 201 and 202 to allow additional time for investigation. Staff recommends an order suspending the Update until May 29, 2020, which is the end of the 90-day period in OAR 860-029-0085(5)(c).

¹ OAR 860-088-0140(1)(a) "Upon request, an electric company must enter into a 20-year power purchase agreement with a pre-certified project to purchase the project's unsold and unsubscribed generation on an 'as available' basis subject to the requirements of the Public Utility Regulatory Policy Act (PURPA) and ORS 758.505, et. seq;" see, *PGE Advice No. 20-04 Community Solar Program*, Docket ADV 1095, Initial Utility Filing (Feb 18, 2020).

² *In the Matter of Public Utility Commission of Oregon Staff's Investigation Relating to Electric Utility Purchases from Qualifying Facilities*, Docket No. UM 1129, Order No. 07-360 at 14 (Aug. 20, 2007).

³ *PGE's Update to Schedule 201-As-Available Rate*, Docket No. UM 2060, Utility Filing (Feb 28, 2020).

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Conclusion

Staff believes that further investigation of PGE's Update to Schedules 201 and 202 to establish an As-Available Rate is necessary and recommends suspension of PGE's filing until May 29, 2020.

PROPOSED COMMISSION MOTION:

Suspend Portland General Electric Company's Update to Schedules 201 and 202 until May 29, 2020, for further investigation.

UM 2060 PGE Update to Schedule 201