

# FAQ for builders and new construction



## Why is there a transformer shortage?

Transformer suppliers are struggling with a shortage of core materials and the labor needed to assemble transformers. They're also seeing a surge of projects as a result of significant storm damage (e.g. Hurricane Ian) and as businesses continue initiating work. Unfortunately, these challenges are widespread and affecting electric utilities across the country; even the [news has written](#) about it.

## What kind of transformers are in short supply?

The greatest impact is with specialty, 3-phase submersible, Factory Mutual/Bio Temp, and 3-phase pad mount transformers. While PGE has limited quantities on hand, resupply will be significantly delayed and is most likely to impact commercial, light industrial, multi-family and affordable housing.

## How can customers know if their project will be impacted?

There are a number of factors contributing to the situation, making it challenging for PGE to predict the exact impact to any specific project. Project timelines often shift, and although our efforts to lessen the impact on customers' jobs are proving to be helpful, we anticipate delays could last through 2025, with lead times for orders extending one to two years out. We're reaching out to customers who have signed up in our Power Partner portal to understand project status and potential timing for projects to achieve final inspection.

## What is PGE doing about the transformer shortage?

Since this shortage began, we've prioritized customer work. We regularly review our scheduled maintenance projects in order to set aside transformers for customer projects whenever possible. PGE understands that the

impacts of this shortage are real and significant. Because this shortage is nationwide and having such significant impacts, we're continuing to advocate with partners, industry leaders and organizations, government officials and agencies in support of intervention and relief, including participating in a Request for Information from the Dept. of Energy that is exploring how the Defense Production Act could help strengthen grid reliability.

## Why are customers just now hearing about these lengthy delays?

PGE has been taking steps to help ease the impact of this shortage on our customers by reprioritizing non-critical projects and seeking new sources, including refurbished transformers. Even still, the lead time for transformers has jumped by fivefold to 115 weeks as of September 2022. Some manufacturers are now rationing transformers to help manage demand. With lead times increasing so rapidly, we're taking extra steps to help update customers with the current status and recommended next steps, such as getting future projects into Power Partner, etc.

## Will PGE give transformers that were set aside for one project to another project?

PGE's process hasn't changed. We've consistently kept a queue system for projects that need transformers. That queue is used to track and adjust projects as they prepare for and complete final inspection and become ready for transformers. When timelines change for a project's final inspection, PGE simply adjusts the queue to prioritize the next customer – while the original project is placed next in line, not at the end of the line.

## Can customers get their own transformer?

No. PGE has standards and specific criteria for transformers, so we can't use customer-supplied equipment for this reason.

## **If a project is already in the queue, what can a customer do?**

We're actively reaching out to discuss each project's status, its projected construction-ready date and next steps, including potentially changing the size of the transformer(s) that may be needed – and the potential impact to your project. We can also discuss how we're prioritizing projects that have a construction-ready date with an approved service order and that are facing a shortage of one or more material items to complete the job. Even still, delays are likely given how dynamic the situation is.

## **What does this mean for projects in planning for 2024/2025 and that are not yet in Power Partner?**

For customers who have a project in the pipeline to begin in 2023 – 2025, please start the process appropriate for your development as outlined on <https://portlandgeneral.com/builders-new-construction>. The sooner you get your project information and request for service into PowerPartner, the better we'll be able to work to secure the transformers needed for future projects.

