

## Executive Summary

Portland General Electric (PGE or the Company) is an industry leader in the development of Flex Load and Demand Response (DR). Starting in 2016, PGE began development of this resource and incorporation of its capabilities into our resource stack. Since then, the Company has advanced our cost effectiveness perspectives, customer engagement, program operation, and tariff development. The 2025-2026 Multi-Year Plan (MYP) demonstrates our continued progression, with mature budget and resource management, maintaining budget levels while still increasing MW acquisition. New program activity focuses on electric vehicle (EV) load management, the emerging battery market, and collaboration with the Northwest Energy Efficiency Alliance's (NEEA) End Use Load Flex (EULF). We expect to continue to bring new activities over the next two years, engaging with stakeholders and the Commission Staff through our Demand Response Advisory Group (DRAG), Distribution System Plan (DSP) stakeholder meetings, and through the demonstration work of the Smart Grid Testbed and its Demand Response Review Committee (DRRC), where stakeholders work directly with PGE on the development of new technology and Flex Load activity.

PGE's 2023 Clean Energy Plan/Integrated Resource Plan (CEP/IRP) highlights the need to develop distributed energy resources (DERs) to meet load demands and achieve decarbonization goals cost-effectively. PGE's 2023 Integrated Resource Plan (IRP) notes that "[by] 2030, PGE aspires to be able to meet as much as 25 percent of the energy needed on the hottest and coldest days with power coming from customers and DERs<sup>1</sup>." This shift is driven by factors such as resource availability, valuation, and system delivery constraints. Policy initiatives like Community Based Renewable Energy (CBRE), Community Benefit Indicators (CBI), and small renewable mandates further emphasize the importance of investing in DERs. The Multi-Year Plan is central to PGE's DER development and is a key component of our forthcoming Distribution System Plan's Near-Term Action Plan. PGE will continue to refine its vision for distributed resources in the forthcoming DSP.

This MYP shows megawatt (MW) acquisitions increasing over the next two years (2025 116.3 MW, 2026 126.9 MW) while budget remains steady (2025 \$16.4M, 2026 \$18.0M). The portfolio of activity is cost effective, as illustrated by a 2.07 benefit cost ratio. PGE continues to pursue adjustments to non-cost-effective activity. PGE is also aligning our cost effectiveness calculation with regional and national best practices and updated avoided costs from docket UM 1893. The 2025-2026 MYP cost effectiveness chapter details these adjustments. PGE will continue to work with Staff on these updates and will supply additional updates within our Distribution System Plan.

The 2025-2026 Multi-Year Plan details our continued development of the Flex Load resource. This resource is a key component of PGE's all-resource build. Its mature pilots and programs are some of the first DERs to be enhanced through our Virtual Power Plant (VPP), unlocking grid services, dispatch capabilities, and improving the overall fidelity of information for these distributed resources. DERs are part of PGE's strategy to control overall costs to serve and balance the cost of a bi-directional grid with the benefits it, these programs, and their related resources bring to both customers and the PGE system.

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<sup>1</sup> PGE (2023). *2023 Clean Energy Plan and Integrated Resource Plan, Section 1.4.2: Community and customer-sited solutions*. p. 22. Retrieved from [https://assets.ctfassets.net/416ywc1laqmd/3pRvjUAaEA6Wzk8yBUEsE/cafdf75509cf7c3432773e9809074954/2023\\_CEP-IRP\\_Ch\\_07.pdf](https://assets.ctfassets.net/416ywc1laqmd/3pRvjUAaEA6Wzk8yBUEsE/cafdf75509cf7c3432773e9809074954/2023_CEP-IRP_Ch_07.pdf).