

**Portland General Electric
Renewable Portfolio Standard
Oregon Compliance Report
2013**

As an introduction and summary of the Compliance Report, answer the following questions:

Why is PGE submitting a Compliance Report? What information was used as the basis of this Compliance Report?

PGE is submitting this Compliance Report to fulfill the requirements of ORS 469A.170. The report is based on information from PGE's 2013 Integrated Resource Plan (IRP and PGE's most recent Renewable Portfolio Standard (RPS) Implementation Plan (2014 Implementation Plan), filed December 31, 2013.

Did the company meet its RPS target, and if not, describe in detail why not?

Yes, PGE has met its 2013 RPS target. The compliance details are provided in this report.

Provide the following information in response to the requirements of OAR 860-083-0350:

OAR 860-083-0350(2)(a)
The total number of megawatt-hours sold to retail electricity consumers covered by ORS 469A.052 by the electric company or sold in the service areas of each electric company covered by ORS 469A.052 by the electricity service supplier.

Response:

For 2013, the total number of megawatt-hours sold to retail electricity consumers was:

PGE's Total Billed Load: 17,615,701 megawatt-hours.

Source: 2013 PGE FERC Form 1 (Page 304, Row 41, Column (b)).

OAR 860-083-0350(2)(b)
The total number of renewable energy certificates, identified as either unbundled or bundled certificates, acquired in the compliance year and used to meet the renewable portfolio standard.

Response:

There were 90,202 unbundled certificates and no bundled certificates acquired in the compliance year 2013 that will be used to meet the RPS requirement for compliance year 2013.

OAR 860-083-0350(2)(c)

The total number of renewable energy certificates, identified as either unbundled or bundled certificates, acquired on or before March 31 of the year following the compliance year and used to meet the renewable portfolio standard.

Response:

There are no unbundled certificates or bundled certificates acquired in the compliance year 2014 that will be used to meet the RPS requirement for compliance year 2013.

OAR 860-083-0350(2)(d)

The total number and cost of unbundled renewable energy certificates, identified as either banked or non-banked certificates, used to meet the renewable portfolio standard.

Response:

The table below shows the total number and cost by facility of the unbundled renewable energy certificates (RECs) used to meet the RPS. All unbundled RECs used were banked.

Facility	Unbundled RECs	\$/REC	Total Cost
Brown Lake Generating Station - Brown Lake Generating Station			
Elkhorn Wind Project - Elkhorn Wind Project			
Elkhorn Wind Project - Elkhorn Wind Project			
Leaning Juniper I - Leaning Juniper I			
Marengo - Marengo			
Miller Creek - Miller Creek Generating Facility Unit 1			
Miller Creek - Miller Creek Unit 2			
Raft River Energy I - Raft River Energy I			
Wild Horse - Wild Horse			
Wild Horse - Wild Horse			
Totals	176,157		

OAR 860-083-0350(2)(e)

The total number of banked bundled renewable energy certificates that were used to meet the renewable portfolio standard.

Response:

The total number of banked bundled renewable energy certificates that will be used to meet the RPS for compliance year 2013 is:

$$704,628 = (880,785 - 176,157)$$

OAR 860-083-0350(2)(f)

The total number of renewable energy certificates, identified as either bundled or unbundled certificates, issued in the compliance year that were banked to serve Oregon electricity consumers.

Response:

There are no unbundled certificates that were issued in the compliance year that were banked to serve Oregon electricity consumers.

As of this filing, there are 3,002,346 bundled certificates that were issued for the compliance year 2013 that will be banked to serve Oregon electricity consumers.

See the 2013 column in Attachment C for detail by facility of total RECs generated.

OAR 860-083-0350(2)(g)

For electric companies, unless otherwise provided under subsection (2)(k) of this rule, the total number of renewable energy certificates included in the rates of Oregon retail electricity consumers that were sold since the last compliance report, including:

- (A) The names of the associated generating facilities; and**
- (B) For each facility, the year or years the renewable energy certificates were issued.**

Response:

The table below shows the total number by facility and year issued of RECs included in the rates of Oregon retail electricity consumers that were sold since the last compliance report:

Facility	Year	Number of RECs
Biglow Canyon Wind Farm - Biglow Canyon Phase 2	2013	221,540
Biglow Canyon Wind Farm - Biglow Canyon Phase 3	2013	67,817
Totals		289,357

OAR 860-083-0350(2)(h)

Unless otherwise provided under subsection (2)(k) of this rule, for each generating facility associated with the renewable energy certificates included in subsections (2)(b), (c), (f), or (g) of this rule the following information:

- (A) The name of the facility;**
- (B) The county and state where the facility is located;**
- (C) The type of renewable resource;**
- (D) The total nameplate megawatt capacity of the facility;**
- (E) For an electric company, the Oregon share of the nameplate megawatt capacity of the facility;**
- (F) The year of the first delivery of qualifying electricity or the first year of the contract for the purchase of unbundled renewable energy certificates; and**
- (G) The duration of the contract or the amortization period of a facility owned by the electric company or the planned lifetime of a facility owned by the electricity**

service supplier.

Response:

See Attachment A.

OAR 860-083-0350(2)(i)

The amount of alternative compliance payments the electric company or electricity service supplier elected to use or was required to use to comply with the applicable renewable portfolio standard.

Response:

There were no alternative compliance payments that PGE elected to use or was required to use to comply with the applicable renewable portfolio standard.

OAR 860-083-0350(2)(j)

For an electric company, sufficient data, documentation, and other information to demonstrate that any voluntary alternative compliance payments were a reasonable compliance method.

Response:

PGE will not be making any voluntary alternative compliance payments.

OAR 860-083-0350(2)(k)

Documentation of use of renewable energy certificates from the system under OAR 330-160-0020 established for compliance with the applicable renewable portfolio standard.

Response:

The attached WREGIS report (Attachment B) shows all RECs to be used to meet the 2013 RPS. The RECs are currently in an active sub-account named “2013 OR RPS.” Within 30 days of the approval of PGE’s RPS Compliance Report by the Commission, the RECs will be retired to a retirement sub-account named “OR RPS 2013.” To validate compliance, PGE will then send a retirement report from WREGIS to the Commission.

OAR 860-083-0350(2)(l)

For each electric company, a detailed explanation of any material deviations from the applicable implementation plan filed under OAR 860-083-0400, as acknowledged by the Commission.

Response:

The table below presents a comparison between our 2012 Implementation Plan forecast for our 2013 REC requirements, and our 2013 Compliance Report filing. The largest change is the lower overall REC requirement, a reduction of 121,361 MWh. This decrease is due to continued lower loads relative to the 2013 load forecast used in our

2012 Implementation Plan (which was developed in Q3 2011). Our two prior Compliance Reports also reflected actual loads that were less than the forecasts used for Implementation Plan purposes (135,883 MWh and 172,857 MWh for the years 2011 and 2012, respectively).

Another material difference is the number of unbundled RECs used for compliance. As stated in our 2011 Implementation Plan (UM 1466), “PGE intends to continue monitoring REC markets and may purchase or sell bundled or unbundled RECs in the market when price is perceived to be a good value in relation to other means of achieving RPS compliance.”

Unbundled RECs, beyond those included in our 2012 Implementation Plan, were available at a good value; these RECs were purchased and are proposed for retirement here to meet PGE’s 2013 RPS obligation. These retirements enable us to preserve bundled RECs for use in later compliance years.

RECs resulting from efficiency upgrades at PGE’s River Mill and Sullivan hydro facilities were not included in the 2012 Implementation Plan. The number of RECs from the two additional facilities is immaterial, totaling 2,424 RECs (less than 1/3 MWa). At the time PGE’s 2012 Implementation Plan was developed, PGE included hydro upgrades of vintage 1999 or later. Subsequent to that filing, we determined the appropriate year for including such upgrades was 1995 (see ORS 469A.020 - Qualifying electricity; age of generating facility).

The 2012 Implementation Plan included 438,000 low-impact hydro RECs solely from Pelton-Round Butte. For compliance purposes, we will use low-impact hydro RECs from Pelton-Round Butte as well as our Sullivan facility. Our total low-impact hydro REC retirement is equal to that in our 2012 Implementation Plan, which is subject to the 50 MWa limit.

Other differences in the table below are related to the increased use of unbundled RECs and lower projected need. Together, these two factors result in fewer bundled RECs retired for 2013 compliance. Our forecast of REC usage for 2013 compliance in the 2012 Implementation Plan included RECs that would be generated (bundled RECs) in 2008 and 2009, however, due to the factors discussed above, 2013 compliance relies only on RECs generated in 2007 and 2008. Thus, we do not use any RECs from Biglow Canyon Phase 2 or the Sunway projects.

Resource	Projection in 2012 Implementation Plan (for 2013)	Actual RECs in Compliance Plan	Deviation from Forecast
Unbundled RECs	132,342	176,157	43,815
Biglow Canyon Phase 1	193,793	137,970	(55,823)
Biglow Canyon Phase 2	50,933	0	(50,933)
North Fork Upgrade	4,461	1,807	(2,654)

Faraday Upgrade	4,855	1,435	(3420)
Round Butte Upgrade	32,628	22,139	(10,489)
River Mill		586	586
Willamette Falls Upgrade		1,838	1838
Pelton-Round Butte Low-Impact Hydro	438,000	399,709	(38,291)
Willamette Falls Low-Impact Hydro - Sullivan		38,291	38,291
PPM Klondike II	105,708	79,692	(26,016)
Vansycle Ridge	39,240	21,161	(18,079)
Sunway 1	25		(25)
Sunway 2	161		(161)
Total	1,002,146	880,785	(121,361)

OAR 860-083-0350(2)(m)

As specified in OAR 860-083-0100, the total number and cost of bundled renewable energy certificates used for compliance.

Response:

137,970 MWh* x [REDACTED]

* Per OAR 860-083-0100(1)(i), incremental costs are deemed to be zero for qualifying electricity from generating facilities or contracts that became operational before June 6, 2007 and for certified low-impact hydroelectric facilities. Therefore, only the RECs from Biglow Phase 1 are included in this response.

OAR 860-083-0350(2)(n)

For each electric company, its projected annual revenue requirement as calculated in OAR 860-083-0200 and its total cost of compliance.

Response:

PGE's projected annual revenue requirement for 2013 is:

\$1,685,948,431

Source: Table 1- Base Rates
Estimated Effect on Customer Total Electric Bills
2013 COS Only

PGE's total cost of compliance for 2013 is:

[2(d) + 2(m)] = [REDACTED]

Cost of compliance as percentage of revenue requirement is:

[REDACTED] 0.27%

OAR 860-083-0350(2)(o)

For each electricity service supplier, its total cost of compliance, its average cost of compliance, and its cost limit as specified in OAR 860-083-0300(2), including all calculations.

Response:

Not applicable.

OAR 860-083-0350(2)(p)

For each electric company, an accounting of the use of the renewable energy certificates and alternative cost payments consistent with OAR 860-083-0300(3) if the cost limit in ORS 469A.100(1) is reached for the compliance year.

Response:

The cost limit in ORS 469A.100(1) was not reached for the 2013 compliance year.

OAR 860-083-0350(2)(q)

For each electricity service supplier, an accounting of the use of the renewable energy certificates and alternative cost payments consistent with OAR 860-083-0300(3) if the cost limit in OAR 860-083-0300(2) is reached for the compliance year.

Response:

Not applicable.

OAR 860-083-0350(2)(r)

As specified in OAR 860-083-0100, the number and total cost of all bundled renewable energy certificates issued.

Response:

See Attachment C.

OAR 860-083-0350(2)(s)

As specified in OAR 860-083-0100, the number and total cost of bundled renewable energy certificates issued that are associated with new qualifying electricity since the last compliance report.

Response:

See Footnote 5 on Attachment C.

OAR 860-083-0350(6)

Each electric company subject to ORS 469A.052 and each electricity service supplier subject to ORS 469A.065 must post on its web site the public portion of the four most recent annual compliance reports required under this rule and provide a

copy of the most recent such report to any person upon request. The public portions of the most recent compliance report must be posted within 30 days of the Commission decision in section (5) of this rule. The posting must include any Commission determinations under section (5) of this rule.

Response:

PGE will comply with this requirement within 30 days of the Commission decision.

OAR 860-083-0350(7)

Consistent with Commission orders for disclosure under OAR 860-038-0300, each electric company subject to ORS 469A.052 and each electricity service supplier subject to ORS 469A.065 must provide information about its compliance report to its customers by bill insert or other Commission-approved method. The information must be provided within 90 days of the Commission decision in section (5) of this rule or coordinated with the next available insert required under OAR 860-038-0300. The information must include the URL address for the compliance reports posted under section (6) of this rule.

Response:

PGE will comply with this requirement within 90 days of the Commission decision.