

ORDER NO. 12 370

ENTERED OCT 28 2014

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1699

In the Matter of  
  
PORTLAND GENERAL ELECTRIC  
COMPANY,  
  
2013 Renewable Portfolio Standard  
Compliance Report.

ORDER

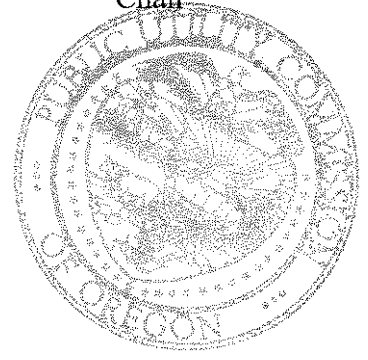
DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

This order memorializes our decision, made and effective at the public meeting on October 28, 2014, to adopt Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

Dated this 28<sup>th</sup> day of Oct., 2014, at Salem, Oregon.

COMMISSIONER ACKERMAN WAS  
UNAVAILABLE FOR SIGNATURE

Susan K. Ackerman  
Chair



*John Savage*  
John Savage  
Commissioner

*Stephen M. Bloom*  
Stephen M. Bloom  
Commissioner

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

ITEM NO. CA4

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: October 28, 2014

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE October 28, 2014

DATE: October 17, 2014

TO: Public Utility Commission

FROM: John Crider *JC*

THROUGH: *J* Jason Eisdorfer and *AA* Aster Adams

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1699)  
2013 Renewable Portfolio Standard Compliance Report.

**STAFF RECOMMENDATION:**

Staff recommends that the Commission find that Portland General Electric (PGE) complied with the Renewable Portfolio Standard (RPS) for the 2013 compliance period, based upon its 2013 Renewable Portfolio Standard Compliance Report. Staff also recommends that PGE be directed to retire the Renewable Energy Credits (RECs) placed in its Western Renewable Energy Generation Information System (WREGIS) 2013 OR RPS sub-account, and to provide a WREGIS retirement report to the Commission within 30 calendar days from the Commission's order date in this docket.

**DISCUSSION:**

On May 30, 2014, PGE filed its 2013 RPS Compliance Report. The purpose of the compliance report is to document PGE's compliance with the Oregon RPS.

On August 15, 2014, Staff filed initial comments. PGE did not file any reply comments. No other parties filed comments.

RPS Compliance Requirement

As stated in ORS 469A.052, utilities supplying 3 percent or more of the state's retail load must ensure that a certain percentage of the electric energy sold to retail customers within the state of Oregon is derived from eligible renewable energy resources. Based on 2013 retail sales, PGE was required to obtain at least 5 percent of retail load from RPS qualifying resources.

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PGE's total number of megawatt-hours (MWh) sold to retail customers in 2013 was 17,615,701 MWh. The RPS requires PGE to retire RECs equal to 5 percent of this total in 2013, or 880,785 RECs, or provide an alternative compliance payment.

PGE has chosen to meet the requirements completely with a combination of bundled and unbundled RECs. The following table lists PGE's proposed set of RECs for compliance with the 2013 RPS targets:

**Table 1. RECs Used by PGE for the 2013 RPS Compliance**

Type of REC	Number of RECs	Percentage of RPS
Newly acquired - unbundled	90,202	
Banked - unbundled	85,955	
<i>Subtotal Unbundled</i>	<i>176,157</i>	<i>20.0%</i>
Banked - bundled	704,628	
<b>Total</b>	<b>880,785</b>	<b>100.0%</b>

As can be seen from Table 1, PGE's 2013 RPS compliance report demonstrates compliance with the RPS through the use of 90,202 newly acquired unbundled RECs, 704,628 banked bundled RECs and 85,955 banked unbundled RECs. The total of 176,157 unbundled RECs is exactly 20 percent of the required 880,785 RECs which is within the allowable limit set in ORS 469A.145 (1) on use of unbundled RECs for compliance.

The Oregon RPS contains a cost protection for ratepayers in the form of an annual cost cap on RPS compliance-related expenses incurred by the Company. Specifically, utilities are relieved of their compliance requirement to the extent that RPS expenditures exceed four percent of annual revenue requirement<sup>1</sup>. PGE's RPS Compliance Report offers a calculation of RPS-related expenditures to date. PGE's calculation of the total cost of compliance (0.27 percent of revenue requirement)<sup>2</sup> is far below the cost cap of four percent of revenue requirement established by statute.

Staff has confirmed the validity of the RECs proposed for this Compliance Report as reported by WREGIS and Oregon Department of Energy (ODOE).<sup>3</sup> Staff is also in

<sup>1</sup> See ORS 469A.100(1)

<sup>2</sup> See UM 1699 initial filing, "Portland General Electric 2013 Renewable Portfolio Standard Oregon Compliance Report" at pg. 6

<sup>3</sup> ODOE is granted legislative authority to administer and oversee the RECs validation program through WREGIS as detailed in ORS 469A.130

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agreement with PGE that their RPS-related expenditures to date are below the four percent annual revenue requirement cost cap.

**Conclusion**

Staff finds that PGE's RPS Compliance Report is consistent with ORS 469A.052, which states that for the calendar year 2013, at least five percent of the electricity sold by a large utility to retail electricity consumers must come from qualifying resources. For 2013, PGE used a combination of bundled and unbundled RECs to account for 100 percent of the requirement.

**PROPOSED COMMISSION MOTION:**

1. Portland General Electric be found to have complied with Oregon's Renewable Portfolio Standard during the 2013 compliance period.
2. In addition, PGE be directed to retire the RECs placed in its Compliance Report, and to provide a WREGIS retirement report to the Commission within 30 calendar days of the Commission's order in this docket.

PGE 2013 Renewable Portfolio Compliance Report