



Portland General Electric
121 SW Salmon Street · Portland, Ore. 97204

July 29, 2019

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, SE, Suite 100
P.O. Box 1088
Salem, OR 97308-1088

RE: UM 1826: PGE 2019 Clean Fuels Program Credit Monetization Report

Portland General Electric Company (PGE) submits this report pursuant to the Clean Fuels Program (CFP) Credit Monetization Principle No. 9 (Principle No. 9) adopted through the Public Utility Commission of Oregon (Commission or OPUC) Order No. 17-512 in Docket No. UM 1826 (UM 1826).¹ In accordance with Principle No. 9, the enclosed report includes includes the current balance of credits in PGE's account, the number of sales executed, the amount of revenue gained from each credit sale and number of credits sold, administrative costs, and a general plan that includes strategies to support program funding.

In UM 1826, OPUC Staff worked closely with stakeholders and utilities to develop credit monetization principles that would "provide reassurance to the utilities, while also protecting ratepayers, as the utilities begin to engage in the CFP credit market."² In December 2018, the Commission issued Order No. 17-512 providing guidance to electric utilities on the participation in the CFP, specifically with regards to CFP credit monetization and market participation. The credit monetization principles agreed upon by stakeholders and adopted through Commission Order No. 17-512 are:

1. These Credit Monetization Principles apply only to monetization of residential charging CFP credits that the electric company has aggregated.
2. Credit monetization and electric company market participation strategies should focus on establishing revenue stream stability rather than absolute credit value maximization. Establishing revenue stream stability and timely realization of revenue is more important than maximizing credit price.
3. An electric company's CFP credit market participation strategy should also generally align with the goals and timeliness of any programs the credit revenue has been designated to support.
4. Electric company actions taken to monetize CFP credits in the nascent CFP market will be reviewed for reasonableness and should not be entirely based on the amount of revenue generated from the sale.
5. Electric Companies are not deemed responsible for the development, health, maturity, or

¹ Commission Order 17-512, Appendix A at 10.

² Commission Order 17-512, Appendix A at 6.

liquidity of the CFP market, and should be held to a reasonableness standard from: 1) market irregularities; 2) potential disputes over eligibility for CFP credits; and 3) potential disputes with credit purchasers over the validity of CFP credits. However, electric companies are encouraged to support a healthy market.

6. Credit monetization strategy and processes should minimize the administrative costs of participating in the CFP credit market.
7. Electric companies may use consultants or third-parties to assist with the administration of selling or transferring CFP credits. The costs of such consultants will be considered administrative costs.
8. Commission Staff will review administrative costs, including if an electric company uses a balancing account to track administrative costs for later recovery.
9. Electric companies are responsible for filing an annual report with the Commission that includes the current balance of credits in its account, the number of sales executed, the amount of revenue gained from each credit sale and number of credits sold, administrative costs, and a general plan that includes strategies to support program funding.

In compliance with Principle No. 9, the goal of the enclosed report is to “increase the transparency of electric company activity and to allow the Commission greater insight into the activity of the electric company in the CFP market.”³

Included in this filing, as Exhibit A, is PGE’s 2019 CFP Credit Monetization Report which provides more details on the 2019 CFP credit transactions. Exhibit B provides PGE’s CFP transaction summary. Exhibits were mailed to the Filing Center on CD.

Exhibits A and B are protected information subject to Protective Order No. 19-202.

Should you have any questions or comments regarding this filing, please contact Stefan Cristea at (503) 464-8033.

Please direct your communications related to this filing to the following email address:
pge.opuc.filings@pgn.com

Sincerely,



Karla Wenzel
Manager, Pricing & Tariffs

Enclosures
cc: Service List – UM 1826

³ Commission Order 17-512, Appendix A at 10.

UM 1826

Exhibit A

PGE's 2019 Clean Fuels Program Credit Monetization Report

Protected Information Subject to Protective Order No. 19-202

UM 1826

Exhibit B

**PGE's 2019 Clean Fuels Program Credit Monetization Report –
Transaction Summary**

Protected Information Subject to Protective Order No. 19-202