

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 13, 2022**

**REGULAR**  **CONSENT**  **EFFECTIVE DATE** \_\_\_\_\_ **NA** \_\_\_\_\_

**DATE:** December 5, 2022

**TO:** Public Utility Commission

**FROM:** Eric Shierman

**THROUGH:** Bryan Conway, JP Batmale, and Sarah Hall **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. UM 1020)  
Renewable Development Fund Grant Approval.

**STAFF RECOMMENDATION:**

Staff recommends the Public Utility Commission of Oregon approve the City of Gresham receiving funding from Portland General Electric Company Renewable Development Fund program.

**DISCUSSION:**

Issue

Whether the Public Utility Commission of Oregon (Commission) should approve a renewable energy project receiving Category 2 grant funding from Portland General Electric Company's (PGE) Renewable Development Fund (RDF).

Applicable Rule or Law

ORS 757.603 requires the electric utilities to provide a portfolio of rate options to residential customers.

Commission Order No. 16-156 created a Renewable Fund Review Process, which, in part, directed Staff to review Category 2 renewable energy projects, which are projects requesting more than \$400,000 in voluntary grant funds from PGE's RDF. The Order further adopted Staff's recommendation to approve PGE's RDF Guidelines delineating the Company's procedures for reviewing and processing such projects.

## Analysis

### *Background*

The voluntary green power programs of PGE and PacifiCorp are, in part, designed to collect funds that the companies can issue as grants to eligible renewable energy projects. In this way the voluntary programs contribute directly to the development of new renewable resources that may not have otherwise been built.

In Order No. 16-156, the Commission approved PGE's RDF eligibility guidelines and approved a Renewable Fund Review Process for projects requesting voluntary grant funds. As a result, Staff and PGE established two categories of projects. Projects providing funding to non-profit entities and seeking \$400,000 or less from the RDF program would be considered as Category 1 projects and would only be reviewed by Staff. Projects providing funding to for-profit entities and/or seeking more than \$400,000 from the RDF would be considered Category 2 projects. All Category 2 projects would be reviewed by the Commission for approval before PGE issues RDF funding for the projects. Staff and PGE also established criteria for approving Category 2 projects.<sup>1</sup>

### *Project Summary*

On October 10, 2022, PGE submitted eleven Category 1 projects for review by Staff, and one Category 2 project for review and approval by the Commission. The Category 2 project is for the City of Gresham's City Hall solar project and summarized in Table 1.

**Table 1: Project Facts**

Technology	kW	Grant \$	Project \$	Cost per Watt	Grant / Project
Solar PV	272	\$709,757	\$876,185	\$3.23	81%

The City of Gresham is managing this project through the City's Solid Waste & Sustainability Division (SWS), which also will provide educational opportunities with youth and BIPOC community members as well as engages with BIPOC communities on sustainability workforce development. The solar project will be installed on the City Hall Public Safety Building. Savings from the project will be directed to community services and reducing water rate increases for low-income residents.

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<sup>1</sup> See Docket No. UM 1020, OPUC, Portfolio Options Pursuant to ORS 757.603(2) and OAR 860-038-0220, Staff Report, p 2, December 10, 2018.

This project was assessed by the third-party organization Spark Northwest. After Staff review of the documentation from the third-party, Staff finds this project meets the requirements set forth in Order No. 16-156.<sup>2</sup>

- Solar PV is an eligible technology.
- This project will directly interconnect with PGE's grid.
- This project will develop incremental renewable energy.
- The estimated date of completion is within eighteen months.
- The 272 kW capacity is commercial scale.
- PGE will collect generation data for ten years.

In addition to meeting the minimum requirements, the Gresham City Hall project meets several project preferences.

- The site is located within PGE service territory.
- The site is owned by a PGE customer.
- Host customer is a public entity.
- The site has the added benefit of educational engagement and public visibility.
- The customer is paying for part of the project.

Staff finds this project meets the requirements under Order No. 16-156 and has merit. Staff recommends Commission approval.

#### *Renewable Energy Certificate Retirement*

Staff notes that Order No. 16-156 requires this project's Renewable Energy Credits (REC) to be retired on behalf of the City of Gresham. This means that PGE will not be able to use RECs attributed to this project to meet renewable portfolio standards, and the City of Gresham may not sell the RECs to another party.

#### Conclusion

Based on the review of the project, Staff concludes the City of Gresham City Hall solar project meets the Commission's requirements for a Category 2 RDF grant. Staff recommends the Commission approve this project for RDF grant funding.

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<sup>2</sup> The renewable development fund guidelines and review process are found in Appendix A to Order No. 16-256. Order No. 16-156, In the matter of Revised Recommendations for Guidelines and a Distribution and Reporting Process for Grants of Portfolio Options Voluntary Renewable Funds, Docket No. UM 1020, April 21, 2016.

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**PROPOSED COMMISSION MOTION:**

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