



**Portland General Electric Company**  
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April 22, 2022

***Via Electronic Filing***

Public Utility Commission of Oregon  
Attention: Filing Center  
P.O. Box 1088  
Salem, OR 97308-1088

**RE: UM 1826: PGE 2022 and 2021 Clean Fuels Program Credit Monetization Report**

The Clean Fuels Program (CFP) has its origin in legislative direction to reduce Oregon's carbon intensity of transportation fuel, in furtherance of Oregon's decarbonization efforts. The program also ties to similar decarbonization efforts at PGE with a focus on accelerating transportation electrification.

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 OPUCs) Order No. 17-512 in Docket No. UM 1826 (UM 1826).<sup>1</sup> In accordance with Principle No. 9, the enclosed report 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. Due to staffing changes, PGE inadvertently omitted the filing of 2021 calendar year Clean Fuels Program Credit Monetization report in 2021. PGE apologizes and submits both the 2022 and 2021 reports in this filing.

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."<sup>2</sup> In December 2017, 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

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<sup>1</sup> Commission Order 17-512, Appendix A at 10.

<sup>2</sup> Commission Order 17-512, Appendix A at 6.

- 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 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.”<sup>3</sup>

Included in this filing:

- Exhibit A, PGE’s 2022 CFP Credit Monetization Report which provides details on the CFP credit transactions executed by PGE between January 1, 2021 and December 31, 2021.
- Exhibit B, PGE’s 2021 CFP Credit Monetization Report which provides details on the CFP credit transactions executed by PGE between January 1, 2020 and December 31, 2020.

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

Please direct any questions or comments regarding this filing to Teresa Tang at [teresa.tang@pgn.com](mailto:teresa.tang@pgn.com).

Please direct your communications related to this filing to the following email address:

[pgc.opuc.filings@pgn.com](mailto:pgc.opuc.filings@pgn.com)

Sincerely,

/s/ *Robert Macfarlane*

Robert Macfarlane  
Manager, Pricing & Tariff

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<sup>3</sup> Commission Order 17-512, Appendix A at 10.