

May 24, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

Re: UM 1826—PacifiCorp’s 2022, 2021 and 2020 Clean Fuels Program Credit Monetization Report

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) submits the following report for filing with the Public Utility Commission of Oregon (Commission) in response to the Clean Fuels Program (CFP) Monetization Principal No. 9 adopted through Commission Order No. 17-512 in docket UM 1826 (Principle 9). In accordance with Principle 9, the enclosed report includes the current balance of credits in PacifiCorp’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. This information is provided as confidential in accordance with General Protective Order No. 19-202.

Moving forward, PacifiCorp will look to incorporate this annual monetization report in ongoing planning proposals and processes. PacifiCorp files with the Commission annual CFP Proposals that do include monetization information within each proposal where this information can also be found.

I. Background

The Commission issued Order No. 17-512 in December 2017 after a robust stakeholder feedback process. Order No. 17-512 provides guidance to electric utilities on the participation in the CFP, specifically with regards to CFP credit monetization and market participation. The principles agreed to are as follows:

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 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.

Section II provide details regarding Principle 9, which shares the balance of credits, number of sales executed, revenue gained, credits sold and administrative costs. Section III references the program proposals developed with stakeholders in 2019, 2020 and 2021 that describe the general plan and strategies employed for each subsequent calendar year.

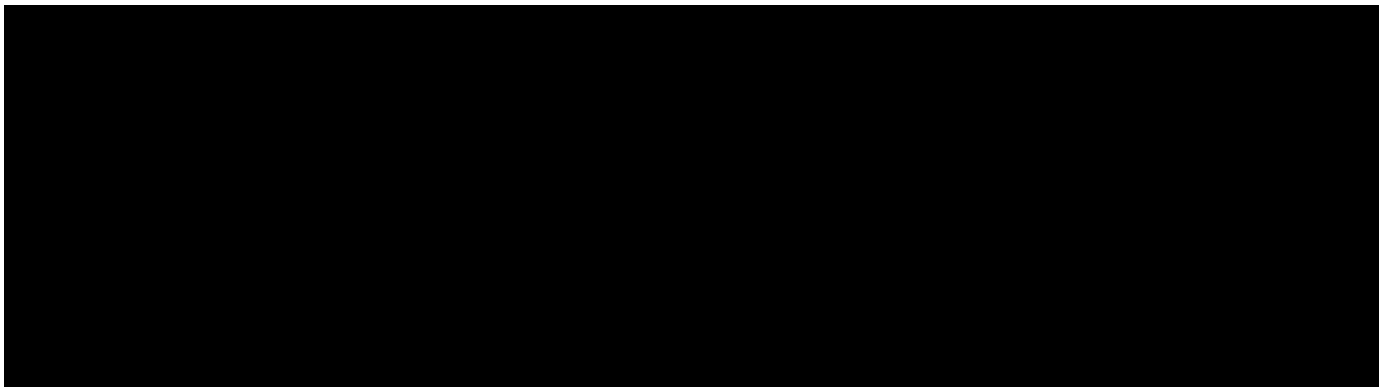
II. Credit Monetization

The following table provides a description of how PacifiCorp monetized residential credits over the last three years.

Confidential Table 1: Credit Monetization Statistics (2019-2021)

	2019	2020	2021
Credit Balance Issued			
Credits Sold			
Number of Sales			
Revenue Gained			
Average Credit Sale			
Administrative Costs			

*PacifiCorp utilizes no third-party services for the sale of credits.

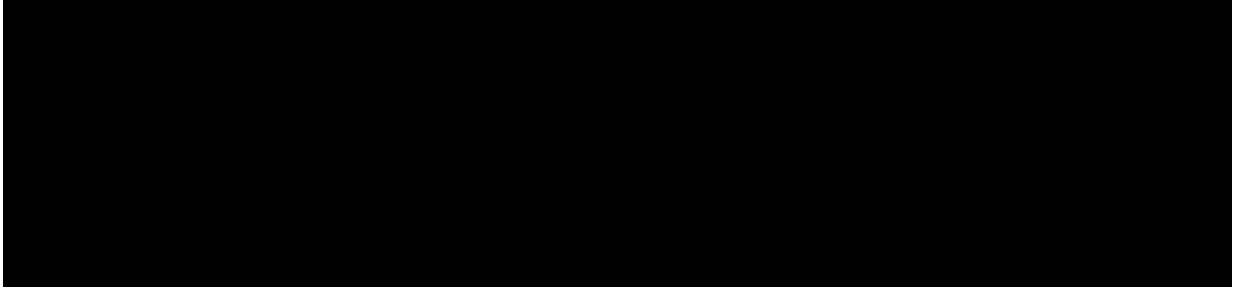


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III. General Plan and Strategies

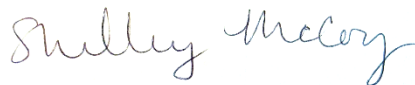
PacifiCorp filed with the Commission its CFP Plan in November 2019, 2020, and 2021.¹ These plans discuss and share the strategies and tactics to be delivered in each following year. Furthermore, as a learning period occurred in both 2019 and 2020, PacifiCorp has begun to employ the following strategies to support program funding:

- 1)
- 2)
- 3)



If you have any questions about this filing, please contact Cathie Allen, Manager, Regulatory Affairs, at (503) 813-5934.

Sincerely,



Shelley McCoy
Director, Regulation

¹ *In the Matter of Public Utility Commission of Oregon, Investigation into Utility Participation in Oregon Clean Fuels Programs*, Docket No. UM 1826 (Nov. 20, 20219, Nov. 20, 2020, and Nov. 19, 2021).

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of PacifiCorp’s Report on the parties listed below via electronic mail and/or or overnight delivery in compliance with OAR 860-001-0180.

**CONFIDENTIAL Service List
UM 1826**

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Dated this 24th day of May, 2022.



Mary Penfield
Adviser, Regulatory Operations