

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT**

PUBLIC MEETING DATE: September 6, 2022

REGULAR **CONSENT** **EFFECTIVE DATE** January 1, 2023

DATE: August 29, 2021

TO: Oregon Public Utility Commission

FROM: Eric Shierman

THROUGH: Bryan Conway and JP Batmale **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1421/Advice No. 22-16)
Schedule 7 and 32 portfolio option resource consolidation.

STAFF RECOMMENDATION:

Approve Portland General Electric's (PGE or the Company) Advice No. 22-16, which revises the Green Future renewable portfolio options for Schedule 7 and 32 customers by removing the Green Future Solar program.

DISCUSSION:

Issue

Whether the Public Utility Commission of Oregon (Commission) should approve the removal of the Green Future Solar program from PGE's Green Future renewable portfolio options.

Applicable Rule or Law

ORS 757.603 requires electric utilities to provide a portfolio of rate options to residential customers. The Commission regulates portfolio options so that the rates reflect the costs and risks of serving each option.

Under ORS 757.603(2), each electric company is required to offer residential customers a portfolio of rate options that, at minimum, includes a rate that reflects significant new renewable energy resources, a market-based rate, and, when demand is found to be

sufficient to justify the rate, a rate option associated with a specific renewable energy source.

OAR 860-038-0220 sets forth the Commission's requirements for electric companies to provide a portfolio of products and pricing options (Portfolio Options) to residential and, in some instances, small nonresidential customers.

Analysis

Background

Through UM 1020, PGE has offered portfolio options to residential and small commercial customers for two decades. This program is self-funded. For the past two years, the price of Renewable Energy Credits (RECs), which PGE purchases on behalf of portfolio option customers, have nearly tripled.¹ PGE has been working to streamline these products to keep them competitive.

For residential and small commercial customers, Green Future has two product options, renewable usage and renewable fixed. The renewable usage option bills proportionally to the customer's energy usage, charging a premium for renewable energy investments that go primarily to the purchase of RECs. The other product is the renewable fixed option, which bills customers a premium in 200 kWh blocks for renewable energy investments that go primarily to the Renewable Development Fund.

PGE customers have also had another energy block product called Green Future Solar, a solar-only portfolio. This product has been available since 2016 when PGE procured RECs from the Steel Bridge solar farm in Willamina, Oregon. Since that time, the Community Solar Program has emerged as another solar-only option for PGE's customers.

PGE's Proposal

PGE proposes to eliminate the Green Future Solar option. The Company believes that customers currently enrolled in this solar-only portfolio will not object to being transitioned to a more general renewable energy portfolio that contains other non-emitting resources beyond around 21 percent of the portfolio procured from solar. If some of these customers do prefer a solar-only option, subscribing to Community Solar remains an alternative.

At the end of this year, PGE would replace every Green Future Solar block with two blocks of the Green Future product. The price of a Green Future Solar block is \$5 per block while the price for two Green Future blocks is only \$3.76, meaning this

¹ See Docket No. ADV 1309, OPUC Staff, Staff Report, p 2, December 20, 2021.

transition will reduce these Green Future Solar customers' monthly electric bill by \$1.24 per month per block.

Staff finds this proposal to be a reasonable consolidation of product offerings. The Green Future product will continue to offer a non-emitting option for PGE's Green Future Solar customers. If any of these customers ultimately prefer a solar-only option, the Oregon Community Solar can provide that option.

Conclusion

Staff recommends the Commission approve PGE's proposal to eliminate the Green Future Solar portfolio option. Staff finds this to be a reasonable consolidation of product offerings.

PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 22-16, which revises the Green Future renewable portfolio options for Schedule 7 and 32 customers by removing the Green Future Solar program.