

April 14, 2016

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

RE: Advice No. 16-06, Schedule 54 Large Nonresidential Renewable Energy Certificates Rider

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rule 860-022-0025 for filing proposed tariff sheets associated with Tariff P.U.C. No. 18, with a requested effective date of <u>June 8, 2016</u>:

First Revision of Sheet No. 54-1 First Revision of Sheet No. 54-2

Schedule 54 provides an optional supplemental service rider that supports the development of New Renewable Energy Resources as defined in ORS 757.600. Large Nonresidential Customers may purchase Renewable Energy Certificates (RECs) based on a percentage of their load, subject to a minimum purchase.

The purpose of this filing is to: 1) update REC pricing; 2) change the Tradeable Renewable Credits naming convention; 3) add language to clarify the effective date of this service, and 4) remove the provision requiring Customers to sign a new contract each year.

Tariff changes are explained in detail below:

- 1) Price is updated to better reflect the cost of REC purchases in today's market. REC purchase price is reduced from 1.7¢ per kWh to 0.3¢ per kWh.
- 2) The term Tradable Renewable Certificates (TRC) is updated to Renewable Energy Certificates (REC) to better align with industry terminology.

- 3) Language is added to clarify when service becomes effective. Service under this schedule is represented on the Customer's monthly bill as a separate line item and will become effective with the next regularly scheduled meter read date provided the contract was entered into at least five days before their next scheduled meter read date. Absent the five days, the change becomes effective on the subsequent meter read date.
- 4) The provision requiring Customers to sign an annual contract is removed. Currently, Customers are required to sign each year. Eliminating the annual requirement simplifies the process. Customers wishing to modify participation in the program or amend contract terms may contact the Company.

To satisfy the requirements of Oregon Administrative Rules (OARs) 860-022-0025, PGE responds as follows:

While the submitted Advice filing reduces the tariff listed REC purchase price, there is no change in overall anticipated revenue from this service. When market conditions changed and REC prices dropped, PGE extended the benefit of the lower price to Customers. There are approximately 192 Customers served under this Schedule.

Please direct any questions regarding this filing to Terri Bowman at (503) 464-8854.

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

Karla Wenzel

Manager, Pricing & Tariffs

Valo Munse

Enclosures

# SCHEDULE 54 LARGE NONRESIDENTIAL RENEWABLE ENERGY CERTIFICATES RIDER

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# **PURPOSE**

This rider is an optional supplemental service that supports the development of New Renewable Energy Resources as defined in ORS 757.600. Under this Schedule a Large Nonresidential Customer may purchase Renewable Energy Certificates (RECs) based on a percentage of the Customer's load, subject to a minimum purchase. The purchase guarantees an equivalent amount of generation from qualified renewable resources will be transmitted within the Western Electricity Coordinating Council.

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# **AVAILABLE**

In all territory served by the Company.

#### APPLICABLE

To all Large Nonresidential Customers.

#### RATE

A Customer may purchase RECs at:

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0.3¢ per kWh

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A minimum REC purchase of 1,000 kWh times 0.3¢ (\$3.00) per month is required. For larger purchases, volume discounts may be available, subject to negotiation, pursuant to the execution of a written contract.

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### **SPECIAL CONDITIONS**

 The Customer may enroll to purchase RECs by signing a contract to pay annually or monthly. Upon execution of a signed agreement, service will become effective with the next regularly scheduled meter reading date provided the Contract was entered into at least five days before their next scheduled meter read date. Absent the five-day notice, the change will become effective on the subsequent meter read date.

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- 2. The Company will not accept enrollments from accounts with poor credit history. For the purposes of this rate schedule, poor credit history is defined as: a) having received two or more final disconnect notices in the past 12 months; or b) having been involuntarily disconnected in the past 12 months.
- 3. The Company makes no representations as to the impact on the development of renewable resources from Customer participation.

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# SCHEDULE 54 (Concluded)

# SPECIAL CONDITIONS (Continued)

- 4. The Company is not required to own renewables or to acquire energy from renewable resources simultaneously with Customer usage.
- 5. A REC purchase by the Company sufficient to meet the total of all Customer purchases of RECs will occur, at least, on an annual basis.
- 6. All RECs will be certified by the Western Renewable Energy Generation Information System (WREGIS) beginning January 1, 2008.
- 7. All incremental costs and revenues associated with the provision of services under this schedule will be appropriately charged or credited to nonutility accounts.
- 8. This product will be provided in accordance with the Code of Conduct as set forth in OAR 860-038-0500 through 860-038-0640.
- 9. If the Company chooses to use bill inserts to market this schedule to Customers, it will allow other REC providers access to place inserts in the Company's bills under the same prices, terms and conditions that apply to the Company's Large Nonresidential REC program.