



**Portland General Electric**  
121 SW Salmon Street • Portland, OR 97204  
portlandgeneral.com

July 1, 2022

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

**RE: Advice No. 22-14, Schedule 54, Large Nonresidential Renewable Energy Certificates (RECs) Rider Updates**

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rule (OAR) 860-022-0025, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18, with a requested effective date of **August 24, 2022**:

Seventh Revision of Sheet No. 54-2  
Third Revision of Sheet No. 54-3  
First Revision of Sheet No. 54-4

Schedule 54 is a competitive operation tariff, subject to the Division 38 Code of Conduct<sup>1</sup> rules. Customers have the option to procure renewable energy certificates (RECs) in the marketplace from multiple REC suppliers, including PGE. This filing is the holistic update of this tariff that PGE agreed to in ADV 1322 / PGE Advice Filing No. 21-25, effective December 1, 2021.

PGE filed for an expedited temporary suspension of Offering 1, Green Resource Mix, ("Offering 1") due to an unstable REC market with prices exceeding PGE's stated tariff price of \$3.00 per REC. The Commission approved the suspension at its September 7, 2021, public meeting. In October of 2021, PGE filed Advice No. 21-25 to end the suspension, but given the short timeline in which to make changes, PGE agreed to conduct a more holistic review of the tariff in 2022. PGE makes this filing to fulfil that agreement.

When PGE reviewed the changes made in October of 2021, it found that the changes made to mitigate market risk were sufficient. This filing does not seek to modify that methodology, but to make a number of improvements beyond the October filing. These improvements include updating Offering 2 to include Geothermal resources and to allow the addition of product mixes. The Offering is currently under-utilized, and this change will allow the program to serve customers better.

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<sup>1</sup> <https://secure.sos.state.or.us/oard/viewSingleRule.action?ruleVrsnRsn=223343>

PGE is also updating the Rate section to clarify how Offerings 2 and 3 are priced, as well as updating the special conditions to better align the contracting timeline with how our customers and our product team interact. The language for special condition 9 is also being updated to allow PGE flexibility in updating the cap for Offering 1 as market conditions allow.

PGE intends to file one additional update to Schedule 54 in early 2023 to revise the applicability section to allow customers who have qualifying service agreements to include their service agreements on Schedules 32, 532, and 47. This change will alleviate customer friction associated with matching 100% of their usage with renewable energy and managing participation in two renewable energy programs, especially when customers have shifting load profiles that cause certain meters to regularly change eligibility status. Additionally, customers whose service agreements qualify for the Schedule at the time of enrollment will be allowed to remain in the program, even if the customer's base schedule changes.

A redline of Schedule 54 is attached as a courtesy.

To satisfy the requirements of OAR 860-022-0025, PGE responds as follows:

The changes proposed to this optional, competitive offering do not increase, decrease, otherwise change existing rates, or have anything other than a de minimis impact on revenues.

Please direct questions to Casey Manley at [casey.manley@pgn.com](mailto:casey.manley@pgn.com) Please direct all formal correspondence and requests to the following email address [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)

Sincerely,

*\s\ Jay Tinker*

Jay Tinker  
Director, Rates and Regulatory Affairs

Enclosures

**SCHEDULE 54 (Continued)**

**PRODUCT OFFERINGS**

Specified Resource (Continued)

1. Wind;
2. Solar;
3. Certified low-impact hydroelectric;
4. Pipeline or irrigation hydroelectric systems;
5. Wave or tidal action;
6. Low emissions biomass (from digester methane from landfills, sewage or waste treatment plants, forest or field residues);
7. Hydrogen derived from photovoltaic electrolysis or non-hydrocarbon derivation process;
8. Geothermal.

(T)  
(T)  
(N)

Upon customer request, PGE will make best efforts to assist the Customer in identifying a product mix or discrete generators matching the fuel types listed above. Any offering under Specified Resource must be 100% new renewable, which is defined as follows:

(C)  
(C)

- (1) a) Placed in operation (generating electricity) on or after January 28, 2000;
  - b) repowered on or after January 28, 2000 such that 80% of the fair market value of the project derives from new generation equipment installed as part of the repowering, or
  - c) a separable improvement to or enhancement of an operating existing facility that was first placed in operation prior to January 28, 2000 such that the proposed incremental generation is contractually available for sale and metered separately than existing generation at the facility.
- (2) Any project that has been subject to an uprate meant solely to increase generation at a facility – without the construction of a new or repowered, separately metered generating unit – is not eligible for the specified resource offering.

Generation facilities solely owned by PGE (or included in the rate base of PGE) and constructed for the purpose of serving cost-of-service utility customers are not eligible for selection in the specified resource program.

I. DEQ Clean Fuels Compliant Resource

This product allows Customers to purchase qualifying RECs that meet the requirements to generate incremental clean fuels credits as part of the Oregon Clean Fuels Program administered by the Oregon Department of Environmental Quality (DEQ) under ORS 468A. Under this option, PGE only offers RECs that meet the Clean Fuels Program requirements.

**SCHEDULE 54 (Continued)**

**RATE**

1. With regard to Offering 1, PGE Green Resource Mix:
  - a. The rate for this product is specified in the Green-e ® Energy required disclosure documents, a copy of which is provided to the Customer.
  - b. The rate for Offering 1 shall be comprised of three components: the market price for the REC, selling, general, and administrative (SG&A) costs, and a risk premium fee.
  - c. The market price for RECs may change but will be based on expected market conditions and program demand. The SG&A costs will be calculated to ensure that program participants bear the entirety of these costs, and these costs will be uniformly charged to customers. The risk premium accounts for PGE shareholder risk from entering a fixed price contract to supply RECs and will not exceed PGE's currently approved rate of return. The risk premium will be the same for all customers participating in this offering.
  - d. A minimum REC purchase of 1,000 kWh per month, or annual equivalent, is required.
2. If a Customer chooses to participate in the Specified Resource or DEQ Clean Fuels Compliant Resource program, the same rate components as described in Offering 1 shall apply, but the price may differ and is subject to execution of a written contract. (C)  
(C)

**SPECIAL CONDITIONS**

1. The Customer may enroll to purchase any option outlined in this tariff after entering an agreement with the Company. Participation will commence within 60 days of the Company providing Customer with confirmation of a properly executed agreement that includes Customer's signature, which can be digital. (C)  
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(C)
2. The Company will not accept enrollments from accounts with poor credit history. For the purposes of this offering, 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.

**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. PGE will purchase RECs sufficient to meet all Customer commitments, and retire them annually.
6. The Company will charge or credit all incremental costs and revenues associated with the provision of services under this schedule to nonutility accounts.
7. PGE offers this product through a competitive operation and is provided in accordance with the Code of Conduct as set forth in OAR 860-038-0500 through 860-038-0640.
8. 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 allowing the Company's Large Nonresidential REC program to use the bill inserts.
9. PGE will limit the number of RECs that PGE offers for purchase under the PGE Green Resource Mix option, as well as the number of Green Resource Mix RECs bought by any individual customer based on RECs PGE has purchased. PGE reserves the right to change the limit based on the current program price and market price of RECs. The availability of Specified Resource and Clean Fuels Compliant RECs is also dependent on market supply and pricing and may be limited. In the event that RECs are limited in supply, there will be a waitlist for any new participants that will be served on a first come first served basis.

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(C)

PGE Advice No. 22-14  
Schedule 54  
Large Nonresidential Renewable Energy Certificates (RECs)  
Rider Updates

Courtesy Redline

### SCHEDULE 54 (Continued)

#### PRODUCT OFFERINGS

##### Specified Resource (Continued)

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2. Solar;
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4. Pipeline or irrigation hydroelectric systems;
5. Wave or tidal action;
6. Low emissions biomass (from digester methane from landfills, sewage or waste treatment plants, forest or field residues);
7. Hydrogen derived from photovoltaic electrolysis or non-hydrocarbon derivation process;
8. Geothermal.

Upon customer request, PGE will make best efforts to assist the Customer in identifying a product mix or discrete generators matching the fuel types listed above. Any offering under Specified Resource must be 100% new renewable, which is defined as follows:

- (1) a) Placed in operation (generating electricity) on or after January 28, 2000;
  - b) repowered on or after January 28, 2000 such that 80% of the fair market value of the project derives from new generation equipment installed as part of the repowering, or
  - c) a separable improvement to or enhancement of an operating existing facility that was first placed in operation prior to January 28, 2000 such that the proposed incremental generation is contractually available for sale and metered separately than existing generation at the facility.
- (2) Any project that has been subject to an uprate meant solely to increase generation at a facility – without the construction of a new or repowered, separately metered generating unit – is not eligible for the specified resource offering.

Generation facilities solely owned by PGE (or included in the rate base of PGE) and constructed for the purpose of serving cost-of-service utility customers are not eligible for selection in the specified resource program.

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  - c. The market price for RECs may change but will be based on expected market conditions and program demand. The SG&A costs will be calculated to ensure that program participants bear the entirety of these costs, and these costs will be uniformly charged to customers. The risk premium accounts for PGE shareholder risk from entering a fixed price contract to supply RECs and will not exceed PGE's currently approved rate of return. The risk premium will be the same for all customers participating in this offering.
  - d. A minimum REC purchase of 1,000 kWh per month, or annual equivalent, is required.
2. If a Customer chooses to participate in the Specified Resource or DEQ Clean Fuels Compliant Resource program, the same rate components as described in Offering 1 shall apply, but the price may differ and is subject to execution of a written contract.

#### SPECIAL CONDITIONS

1. The Customer may enroll to purchase any option outlined in this tariff ~~by signing a contract after entering an agreement with the Company. Participation will commence within 60 days of the Company providing Customer with confirmation of a properly executed agreement that includes Customer's signature, which can be digital. 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.~~
2. The Company will not accept enrollments from accounts with poor credit history. For the purposes of this offering, 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.
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**SCHEDULE 54 (Concluded)**

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