

November 27, 2023

## **VIA ELECTRONIC FILING**

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

**Re:** Advice No. 23-022

Schedule 211 - Portfolio Renewables Usage Supply Service

Schedule 213 - Portfolio Habitat Supply Service

Pursuant to Oregon Revised Statute 757.205 and Oregon Administrative Rule (OAR) 860-022-0025, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) submits for filing the following modified tariff pages relating to PacifiCorp's Portfolio Renewables Usage Supply Service (Schedule 211), and PacifiCorp's Portfolio Habitat Supply Service (Schedule 213). PacifiCorp respectfully requests an effective date of January 1, 2024.

Sheet	Schedule/Rule	<u>Title</u>
Third Revision to Sheet No. 211-1	Schedule 211	Portfolio Renewables Usage
		Supply Service
Third Revision to Sheet No. 213-1	Schedule 213	Portfolio Habitat Supply Service

## Purpose

The purpose of this filing is to increase the rate collected from customers in Schedule 211 and Schedule 213. The Company is also requesting a waiver of OAR 860-038-0220(7), which requires the Company to file tariffs for the portfolio options four months before the effective date. The Company's request is discussed in further detail below.

## **Background**

PacifiCorp launched the Blue Sky program in April 2000 as a voluntary, customer-supported renewable energy option. In Oregon, the program also offers a kilowatt-hour (kWh) based usage option where customers can offset their energy usage for a little more than a penny per kWh or the habitat option which includes a donation to The Freshwater Trust of Oregon to preserve native fish habitat. As required by Oregon law, the Company uses a third-party marketer and supplier for the usage and habitat renewable options. The purpose of Blue Sky is to allow customers to purchase and support renewable energy, above and beyond what the Company includes in its basic generation mix, and encourages the development of renewable energy beyond the levels deemed "cost-effective" under the company's integrated resource plan. Participating customers pay the incremental cost of acquiring the additional renewable energy, plus the costs associated with offering the program. The Blue Sky program provides customers the opportunity to buy and support 100 percent renewable energy and foster additional renewable energy development above and beyond the Company's basic generation mix. Since 2012 Usage

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and Habitat customers have paid \$0.0105 per kWh extra on their bills to support 100 percent renewable energy.

# **Proposal**

Through this filing, PacifiCorp is seeking approval to increase the pricing of the Company's usage based renewable energy options in Schedule 211 - Renewable Usage Supply Service and Schedule 213 - Habitat Supply Service, known as the Blue Sky Usage and Habitat programs. PacifiCorp proposes to increase the price of the Blue Sky Usage and Habitat options from \$0.0105 per kWh to \$0.0130 per kWh. The primary factor behind this request is the increasing cost of Renewable Energy Certificates (RECs) in the market. REC prices in the Western Energy Coordinating Council have risen dramatically over the last three years. Absent this price increase, the Company anticipates that for 2024, the usage based renewable energy option programs will expend more money than they collect. Per OAR 860-038-0220, these programs are intended to be fully funded by the program participants. Approval of the proposed price increase will align the price of the programs with costs projected to occur during 2024 through 2026. It is important to note that funds collected through the Blue Sky programs are spent on behalf of the program and do not impact the Company's earnings. The program is structured to allow customers to enroll or discontinue enrollment at any time.

# **Tariff changes and impacts**

OAR 860-022-0025 requires that PacifiCorp submit a statement of the tariff schedule change, the number of customers affected, the change in revenue, and the grounds supporting the change. At the end of October 2023, 59,108 customers were enrolled in these options. The typical residential customer on these options that uses 603 kWh per month will see an increase of \$1.51 on their monthly bill. The typical nonresidential customer on these options that uses 767 kWh per month will see an increase of \$1.92 on their monthly bill.

## **Request for Waiver of OAR 860-038-0220(7)**

OAR 860-038-0220(7) states that an electric company must file tariffs for its portfolio options four months before the implementation of the portfolio product and pricing options. PacifiCorp requests that the tariff changes proposed in this filing become effective in a period less than the required four months. OAR 860-038-0001(4) allows the Commission to waive any of the Division 38 rules for good cause shown. OAR 860-038-0220(3) states that portfolio options become effective January 1 of each year. The RFP was awarded to 3Degrees in late November and contracting should be concluded by the end of December 2023, leaving less than the required four months for the Company to file tariffs. As a result, the Company requests a waiver of OAR 860-038-0220(7). A waiver is also consistent with Commission precedent, where the Commission has previously granted PacifiCorp a waiver on this similar issue in the past.<sup>1</sup>

PacifiCorp respectfully requests that all formal data requests regarding this matter be addressed to:

<sup>&</sup>lt;sup>1</sup> Advice No. 12-017, docketed under Docket UE 260, Order No. 12-487 (Dec. 18, 2012).

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By email (preferred): <u>datarequest@pacificorp.com</u>

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah Street, Suite 2000

Portland, OR 97232

Please direct any informal questions about this filing to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

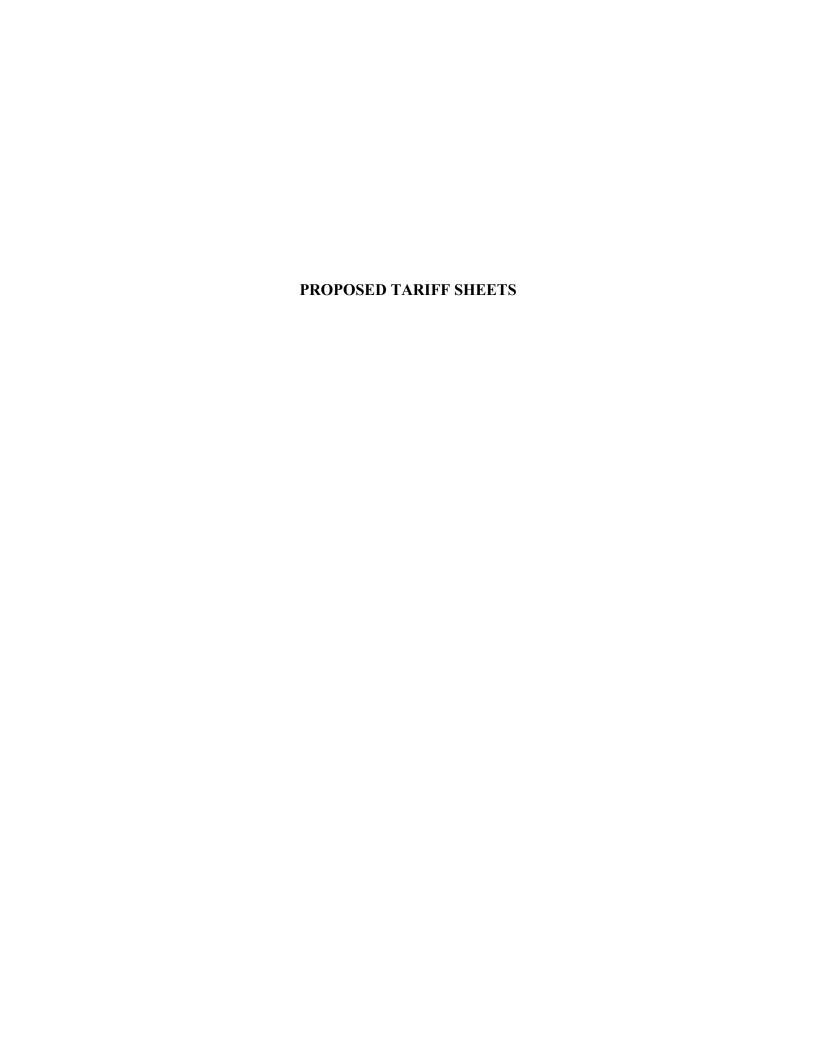
Sincerely,

Matthew McVee

Vice President, Regulatory Policy and Operations

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Enclosures





# OREGON SCHEDULE 211

#### PORTFOLIO RENEWABLE USAGE SUPPLY SERVICE

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# **Available**

In all territory served by the Company in the State of Oregon.

## **Applicable**

To Residential and Small Nonresidential Consumers receiving Delivery Service under Schedules 4, 5, 23 or 41, in conjunction with Supply Service Schedule 201, who have elected to take this service.

### **Monthly Billing**

The Monthly Billing shall be the Energy Charge. The Monthly Billing is in addition to all other charges contained in Consumer's applicable Delivery Service schedule, Base Supply Schedule 200 and Supply Service Schedule 201.

# **Energy Charge**

Per kWh 1.30 ¢

#### Administration

Product provides Renewable Power. The Company is acquiring Renewable Energy Credits (RECs) through a Commission-approved bid process to support this product. Funds received from participating customers under this Schedule will be used to purchase RECs to match participating customer's monthly electricity usage and to cover program costs. Funds remaining after purchasing RECs and covering program costs will be donated to a renewable energy development and demonstration fund, which will be used to fund renewable energy projects in the state of Oregon.

#### Renewable Power

Eligible renewable technologies that may be used to supply certified power include the following: low emissions biomass - including landfill and sewage gas, geothermal, certified low impact hydroelectric, solar, wind and fuel cells using a renewable fuel. Certified products must meet certain minimum standards for the supply of new eligible renewable energy (kWh). Renewable energy generated in response to any federal or state statutory requirement to construct or contract for the renewable energy is not eligible as new. New renewable resources are those (1) placed in operation (generating electricity) on or after July 23, 1999, therefore excluding electricity generated by that part of the Wyoming, Foote Creek Wind Project fully in service before July 23, 1999; (2) repowered on or after July 23, 1999 such that at 80% of the fair market value of the project derives from new generation equipment installed as part of the repowering, or (3) a separable improvement to or enhancement of an operating existing facility that was first placed in operation prior to July 23, 1999, such that the proposed incremental generation is contractually available for sale and metered separately than existing generation at the facility. Any enhancement of a fuel source that increases generation at an existing facility, without the construction of a new or repowered, separately metered generating unit, is not eligible to participate.

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# OREGON SCHEDULE 213

#### PORTFOLIO HABITAT SUPPLY SERVICE

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# **Available**

In all territory served by the Company in the State of Oregon.

# **Applicable**

To Residential and Small Nonresidential Consumers receiving Delivery Service under Schedules 4, 5, 23 or 41, in conjunction with Supply Service Schedule 201, who have elected to take this service.

### **Monthly Billing**

The Monthly Billing shall be the contribution for habitat restoration plus the charge for Renewable Usage Power. The Monthly Billing is in addition to all other charges contained in Consumer's applicable Delivery Service Schedule, Base Supply Service Schedule 200 and Supply Service Schedule 201.

## Charge per Month

\$2.50 per month for Habitat Restoration. 1.30 ¢ per kWh.

# Minimum Charge

The minimum monthly charge will be the Habitat Restoration Charge.

#### Administration

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