

ORDER NO. 12 486

ENTERED DEC 18 2012

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 259

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

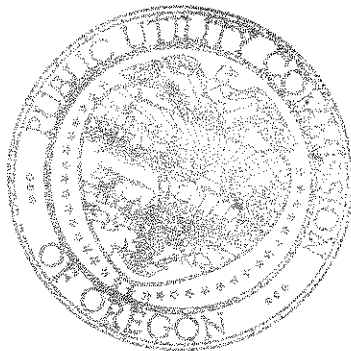
Revisions to Renewable Portfolio Options
Prices and Request for Waiver of
OAR 860-038-0220(7).

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its Public Meeting on December 18, 2012, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



Becky L. Beier

Becky L. Beier
Commission Secretary

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

ITEM NO. CA16

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 18, 2012

REGULAR _____ CONSENT X EFFECTIVE DATE January 1, 2013

DATE: December 10, 2012

TO: Public Utility Commission

FROM: Brittany Andrus *BA*THROUGH: Jason Eisdorfer and Maury Galbraith *AG for H6*SUBJECT: PORTLAND GENERAL ELECTRIC: (Advice No. 12-23) Revises
Renewable Portfolio Options Prices.**STAFF RECOMMENDATION:**

Staff recommends that the Commission allow Portland General Electric's (PGE or Company) Advice No. 12-23 to go into effect January 1, 2013, and that a waiver of OAR 860-038-220(7) be granted.

DISCUSSION:

Pursuant to OAR 860-038-0220, the Company must provide each residential consumer with a "portfolio of product and pricing options." PGE's renewable portfolio currently includes Green Source, a renewable product based on electricity usage; Clean Wind, a renewable product sold in 200 kWh blocks; and, Habitat Support, a habitat restoration adder available in conjunction with either of the two products above.

The tariffs for the usage and block products are structured to allow some fluctuations in prices of renewable energy certificates (RECs). The market for RECs has fluctuated widely over the past several years, and prices are currently quite low.

PGE presented proposed price decreases to the usage and block products to the Portfolio Options Committee (POC) on October 10, 2012. The Company proposes to decrease the price of the Green Source usage product from the current 1.2 cents per kWh to 0.8 cents per kWh. PGE also proposes to reduce the price of the Clean Wind block product from \$3.50 per block to \$2.50. The POC supports the price reductions.

PGE Advice No. 12-23
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Following a discussion of PacifiCorp's proposed renewable portfolio options price changes at the November 14, 2012 meeting, the POC revised its language expressing support for PGE's proposal to read as follows:

- Given the decrease in the current and projected cost of RECs, the POC supports the request to reduce the tariffs associated with Portland General Electric's Green Source and Clean Wind programs.

The discussion at the November 14, 2012 meeting clarified that while the POC supports the concept and the direction of the price change, it did not perform an in-depth analysis of the numbers, and that a detailed quantitative review is not a task that the POC would generally do. Staff will continue to monitor and evaluate the Company's renewable portfolio options programs, as well as the REC market as a whole.

On November 20, 2012, PGE filed Advice No. 12-23 requesting revisions to Schedules 7 and 32 to lower the prices for the Renewable Usage and Fixed Renewable products. PGE filed a replacement sheet correcting a typographical error on November 20, 2012. On December 11, 2012, at Staff's suggestion, PGE made a supplemental filing requesting a waiver of OAR 860-038-0220(7), which states that, "Four months prior to the implementation of the portfolio product and pricing options an electric company must file tariffs for its portfolio options." Staff supports both the price decrease and the waiver to allow the decrease to go into effect without a delay.

PROPOSED COMMISSION MOTION:

The proposed revisions to Schedules 7 and 32 be approved, and a waiver of OAR 860-038-220(7) be granted.

CA16 PGE Adv 12-23.doc