

ORDER NO. 13 423

ENTERED NOV 12 2013

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1661

In the Matter of

CONSTELLATION NEWENERGY, INC.,

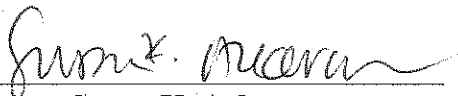
2012 Renewable Portfolio Standard
Compliance Report.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

This order memorializes our decision, made and effective at the public meeting on November 12, 2013, to adopt Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

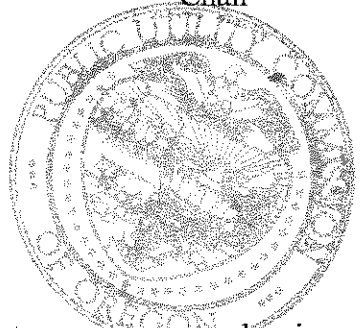
Dated this 12th day of November, 2013, at Salem, Oregon.




Susan K. Ackerman
Chair



John Savage
Commissioner





Stephen M. Bloom
Commissioner

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.

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 12, 2013

REGULAR X CONSENT EFFECTIVE DATE November 12, 2013

DATE: November 5, 2013

TO: Public Utility Commission

FROM: Adam Bless *AK*
IF

THROUGH: Jason Eisdorfer, Maury Galbraith, and Aster Adams *MEF* *aa*

SUBJECT: CONSTELLATION NEWENERGY: (Docket No. UM 1661) Renewable Portfolio Standard 2012 Compliance Report.

STAFF RECOMMENDATION:

Staff recommends that, based upon the Constellation NewEnergy, Inc. (CNE) 2012 Renewable Portfolio Standard (RPS) Compliance Report, the Commission find that CNE complied with the RPS for the 2012 compliance period.

DISCUSSION:

CNE filed its 2012 RPS Compliance Report (Report) on June 13, 2013. The Report indicates that CNE complied with Oregon's RPS, which states that for the calendar year 2012, at least five percent of the electricity sold by a large utility to retail electricity consumers must come from qualifying resources.¹

OAR 860-083-0300(2)(a) defines the compliance cost limit for an Electric Service Supplier (ESS) as 4 percent of the weighted average of the average retail revenues per megawatt-hour (MWh) of the electric companies in whose service areas the ESS sells electricity. The Report shows that CNE's cost of compliance per MWh for 2012 was below this limit.

In joint comments filed on August 2, 2013, Citizens' Utility Board of Oregon (CUB) and Renewable Northwest Project (RNP) stated that the publicly available version of CNE's

¹ Electric Service Suppliers (ESS) must meet the RPS requirements applicable to the electric utilities that serve the territories in which the ESS sells electricity to retail customers. See ORS 469A.065

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Report provided insufficient information to comment on compliance.² CUB and RNP requested that information on resource type, location, and vintage year of Renewable Energy Certificates (RECs) used to meet the 2012 RPS obligation be made publicly available. CUB and RNP proposed that the data be stated in the aggregate and as a percent of total RPS obligation rather than absolute numbers, in view of the confidential nature of this information for an ESS.

In reply comments dated September 6, 2013, CNE supplied a breakdown by state, resource type, vintage year, and percentage of total for the RECs that CNE plans to retire as part of its 2012 Oregon RPS Compliance. These data were not treated as confidential. Staff appreciates the additional disclosure and recommends that CNE include this level of public information in future reports.

Conclusion

Staff finds that CNE's 2012 Report demonstrates that it complied with the RPS requirement by purchasing unbundled RECs equivalent to five percent of the electricity that CNE sold to retail electricity consumers.

Staff also finds that CNE's RPS Compliance Report shows that its cost of compliance per MWh is below the 4 percent limit which is set forth at OAR 860-083-0300(2) and at ORS 469A.100. CNE addressed the concerns of RNP and CUB regarding the public reporting of aggregate REC characteristics such as resource type, location, vintage year, and percentage of total RECs. Staff recommends that this aggregate data be included in the public version of future reports.

PROPOSED COMMISSION MOTION:

- (1) Constellation NewEnergy, Inc. be found to comply with Oregon's Renewable Portfolio Standard during the 2012 compliance period;
- (2) Constellation NewEnergy, Inc. be directed to retire the RECs identified in its Compliance Report, and to provide a Western Renewable Energy Generation Information System (WREGIS) retirement report to the Commission, subject to appropriate non-disclosure agreements, within 30 calendar days of the date of this Order.

Docket No. UM 1661 Constellation 2012 RPS Report

² All detailed information on load served, means of compliance and cost of compliance was included in the confidential version of the Report, but was not available publicly.