

ORDER NO. 25-407

ENTERED Oct 15 2025

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2387

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

2024 Renewable Portfolio Standard
Compliance Report.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on October 14, 2025, 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:



Alison Lackey
Chief Administrative Law Judge



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 Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA5

**PUBLIC UTILITY COMMISSION OF OREGON
REDACTED STAFF REPORT
PUBLIC MEETING DATE: October 14, 2025**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** _____ **N/A**

DATE: October 6, 2025

TO: Public Utility Commission

FROM: Jason Z. Kyler-Yano

THROUGH: Kim Herb

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. UM 2387)
2024 Renewable Portfolio Standard Compliance Report.

STAFF RECOMMENDATION:

Staff recommends the Public Utility Commission of Oregon (Commission) take the following actions, based upon Portland General Electric's (PGE or Company) 2024 Renewable Portfolio Standard (RPS) Compliance Report:

1. Find that PGE complied with the RPS requirements for the 2024 compliance period;
2. Direct PGE to retire the renewable energy certificates (RECs) identified in its 2024 Compliance Report; and
3. Direct PGE to provide a Western Renewable Energy Generation Information System (WREGIS) retirement report to the Commission, within 30 calendar days of the Commission's Order.

DISCUSSION:

Issue

Whether PGE's 2024 RPS Compliance Report meets the requirements of applicable RPS statutes and administrative rules.

Docket No. UM 2387
October 6, 2025
Page 2

Applicable Rule of Law

The RPS is codified at ORS 469A.005 through 469A.210. ORS 469A.170(1) and OAR 860-083-0350(1)(a) require that each electric company subject to Oregon's RPS provide an annual report demonstrating its compliance (or failure to comply) with the RPS standard.

Among the reporting details required by ORS 469A.170(2)(a-h) and OAR 850-083-0350(2)(a-s), the Compliance Report must contain a complete accounting of RECs used for compliance in the compliance year, separating the RECs into bundled or unbundled, showing clearly which generating unit produced the RECs, the total cost of compliance, and a detailed explanation of any material deviations from the electric company's applicable acknowledged RPS implementation Plan filed under OAR 860-083-0400.

ORS 469A.170(2) and OAR 860-083-0350(2) subsections (b-g) provide the Commission with the information necessary to determine whether an electric company may be considered in compliance with the RPS. These subsections require the electric company to provide a complete Compliance Report that shows the electric company has acquired and retired an appropriate number of valid RECs, bundled or unbundled, banked or unbanked, for the compliance year.

ORS 469A.100(1) provides that:

Electric utilities are not required to comply with a renewable portfolio standard during a compliance year to the extent that the incremental cost of compliance, the cost of unbundled renewable energy certificates and the cost of alternative compliance payments under ORS 469A.180 exceeds four percent of the utility's annual revenue requirement for the compliance year.

Concerning Community Solar Projects, OAR 860-088-0150(1) provides that "[m]egawatt hours of electricity associated with participant ownership interests or subscriptions will be deducted from the amount of electricity sold by the electric company to retail electricity consumers for purposes of calculating the electric company's renewable portfolio standard under ORS 469A.052."

ORS 469A.145(3) allows utilities to exclude unbundled RECs from PURPA qualifying facilities from calculation of the 20 percent cap on the use of unbundled RECs established under ORS 469A.145(1).

Docket No. UM 2387
 October 6, 2025
 Page 3

Analysis

Background

The Company filed its 2024 RPS Compliance Report (Compliance Report or Report) on May 30, 2025, in compliance with OAR 860-083-0350(1)(a). The Company's Report demonstrated PGE's compliance with the RPS for the period of January 1, 2024 through December 31, 2024. No comments were filed in the docket.

Portland General Electric's RPS Compliance Report

Table 1 below summarizes PGE's 2024 RPS obligations and compliance activities.

Table 1: Portland General Electric's RPS Compliance Report

Renewable Portfolio Standard Compliance Summary¹	
RECs Obligation	Value
Oregon retail sales (MWh)	19,053,091
Community Solar Program Deduction (MWh)	54,704
RPS % Obligation	20%
RPS Obligation of Qualifying Electricity (RECs)	3,799,678
Summary	Value
RPS MWhs used for Compliance in Year	3,798,313
Two-for-one Solar MWh reported	1,365
Total RECs reported in Compliance Year	3,799,678
RECs used for RPS Compliance in 2024	Value
Bundled - newly acquired (RECs)	2,457,135
Bundled - from bank (RECs)	150,981
Bundled RECS subtotal	2,608,116²
Unbundled - newly acquired (RECs)	715,561
Unbundled - from bank (RECs)	476,001

¹ This table has been updated from the version PGE submitted in its initial filing on May 30, 2025, to accommodate the use of unbundled RECs from Qualifying Facilities (QF) under the Public Utility Regulatory Policies Act (PURPA).

² The Bundled RECs subtotal value has been corrected from the original filing by subtracting the 431,626 QF unbundled RECs. The Bundled RECs subtotal (% RPS) percentage value in the row below has also been updated accordingly. These corrections do not result in changes in compliance obligations accounting.

Docket No. UM 2387
 October 6, 2025
 Page 4

Unbundled RECs subtotal [before QF deduction]	1,191,562³
Unbundled newly acquired - QF Deduction (RECs) [not subject to 20% cap]	431,626 ⁴
Unbundled RECs subtotal [subject to 20% cap]	759,936
Unbundled RECs subtotal (% RPS) [subject to 20% cap]	20%
Total RECs	3,799,678

Renewable Energy Credit (REC) Obligation

For compliance year 2024, PGE's RPS obligation is 3,799,678 RECs or 20 percent of the difference between its total Oregon retail sales (19,053,091 MWh) and power generated by Oregon Community Solar Program (54,704 MWh).

PGE's 2024 RPS Compliance Report demonstrates compliance with its RPS obligation through its use of 2,608,116 bundled RECs and 1,191,562 unbundled RECs.

Of the 1,191,562 unbundled RECs that PGE used to meet its 2024 RPS obligation, 431,626 of those are QF non-banked RECs. ORS469A.145(3) allows PGE to exclude unbundled RECs from inclusion in the calculation of the 20 percent unbundled REC cap. The Company has complied with the 20 percent unbundled REC cap under ORS 469A.145(1).

Cost of Compliance and Revenue Requirement

For compliance year 2024, PGE's total cost of compliance is \$27,139,527, a 44.9 percent decrease from 2023 (see Table 2). The total cost represents 1.0 percent of PGE's revenue requirement of \$2,735,856,109, well below the four percent cap established by statute (OAR 860-083-0350(2)(n)).

Over the past four compliance years, PGE's revenue requirement has increased from \$1,915,345,917 in 2021 to \$2,735,856,109 in 2024, with the most recent year over year comparison reflecting an 18.3 percent change and a 61.2 percent increase in the rate of change. Whereas its RPS cost of compliance continued to decrease at an increased rate of change (see Table 2; Cost of Compliance % Change). As a result, PGE's compliance cost as a percentage of revenue requirement also continued to decrease.

³ Row describes the unbundled REC subtotal before QF deduction. The QF REC value will subsequently be subtracted from this value to calculate the unbundled REC subtotal subject to the 20 percent cap.

⁴ Row describing QF unbundled RECs to be deducted from the sum of the Unbundled—newly acquired (RECs) and Unbundled—from bank (RECs) for calculation of the Unbundled RECs subtotal [subject to 20 percent cap].

Docket No. UM 2387
 October 6, 2025
 Page 5

Table 2. Revenue Requirement and RPS Cost of Compliance

Year	Revenue Requirement	Revenue Requirement % Change	RPS Cost of Compliance	Cost of Compliance % Change	Compliance Cost as % of Revenue Requirement
2021	\$1,915,345,917	-	\$64,616,131	-	3.4%
2022	\$2,077,407,504	8.5%	\$60,568,153	-6.3%	2.9%
2023	\$2,313,039,584	11.3%	\$49,256,225	-18.7%	2.1%
2024	\$2,735,856,109	18.3%	\$27,139,527	-44.9%	1.0%

Staff reached out to the Company for additional information on the drivers of increases in revenue requirement and decreases in cost of compliance over the past four compliance years. The Company explained that increases in revenue requirement are due to increases in non-RPS eligible costs including capital investments (e.g., distribution), power cost increases, and increasing operational costs. Over the last few years, the Company has reduced its use of RECs from resources with incremental costs and increased use of RECs that do not have associated incremental costs, thus leading to lower cost of compliance.

Material Deviations

House Bill (HB) 3161 streamlined the renewable portfolio standard reporting practices by eliminating the statutory requirement that PacifiCorp and PGE file RPIPs every two years. Instead, HB 3161 requires that Investor-Owned Utilities subject to RPS include their plans to meet the renewable portfolio standards as part of their respective IRPs. Because the most recently filed IRP does not yet contain RPIP details, Staff directed the Company to refer to the latest acknowledged RPIP that covers the year of the 2024 RPS Compliance Report.

2024 Compliance

As required by OAR 860-083-0350(2)(I), the Company provided a detailed explanation of material deviations from the RPS obligation forecasted in its 2022 RPIP for 2024 (filed in Docket No. UM 2216) and the RECs proposed to be retired for 2023 RPS compliance. PGE stated that its 2024 RPS Compliance Report includes material deviations from the 2024 REC requirements forecasted in the 2022 RPIP. Table 3 shows the deviations in REC compliance between the 2022 RPIP forecasts and the 2023 and 2024 actuals.

The Company explained that material deviations in compliance and REC strategy were similar to the deviations reported in its 2023 RPS Compliance Report and were due to:

Docket No. UM 2387
 October 6, 2025
 Page 6

1. **Lower Obligation:** PGE's Slightly lower compliance obligation decreased by 19,087 RECs due to lower than forecast loads (see Table 3).
2. **Increased Unbundled REC purchases:** Unbundled RECs were found to be available at attractively low prices, leading PGE to purchase and retire unbundled RECs equal to 20 percent of the 2024 RPS obligation.

Lower Number of QF REC Retirement: The retirement logic employed in the 2022 RPIP (as well as the 2020 RPIP) forecasted the retirement of a much higher number of 5-year RECs generated by QFs than occurred in 2024 (see Confidential Table 4).

Table 3. Deviations in REC Compliance

Compliance Year	Total Oregon Sales (MWh)	Forecast from 2022 RPIP (RECs)	Actual RECs in Compliance Plan (RECs)	Forecast Deviation (RECs)
2023	19,210,198	3,756,740	3,840,251	83,511
2024	19,053,091 ⁵	3,817,400	3,799,678	(17,722)

While the Company reported that “the retirement logic employed in the 2022 RPIP (. . .) forecasted the retirement of a much higher number of 5-year RECs generated by QFs than occurred in 2024,”⁶ this forecast is based on the 0 percent unbundled REC scenario from the 2022 RPIP. Based on the updated 20 percent unbundled scenario from the 2022 RPIP, the Company retired 231,891 more RECs in 2024 than was forecasted in the 2022 RPIP (Confidential Table 4).

Confidential Table 4. QF Deviations from RPIP Forecast

Compliance Year	Forecast QF RECs ⁷	Forecast QF RECs (20% Unbundled) ⁸	Actual QF RECs	Difference (RECs)	Difference - 20% Scenario (RECs)
-----------------	-------------------------------	---	----------------	-------------------	----------------------------------

⁵ In 2024, per OAR 860-088-0150(1), PGE's Total Oregon Sales subject to RPS Obligation was reduced by the number of MWhs attributed to the Community Solar Program deduction (54,704MWhs) before its RPS obligation of qualifying electricity was calculated.

⁶ Docket No. UM 2387, PGE 2024 RPS Compliance Report, Page 5.

⁷ Docket No. UM 2216, PGE 2021-2025 RPIP, Workbook: 2022 REC Accounting Updated CONF, Sheet: 2022 Compliance by Resource.

⁸ Docket No. UM 2216, PGE 2021-2025 RPIP, Workbook: 2022 RPIP Attach B UNBUNDLED_CONF, Sheet: Annual Compliance by Resource.

Docket No. UM 2387
 October 6, 2025
 Page 7

2022	[BEGIN CONFIDENTIAL]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2023	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2024	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED] [END CONFIDENTIAL]

Additional Compliance Requirements

For compliance year 2024, PGE satisfied the following additional RPS requirements:

- OAR 860-083-0350(2)(f): Reported that 3,886,665 bundled RECs and 0 unbundled RECs issued in compliance year 2024 will be banked for future use.
- OAR 860-083-0350(2)(g): Reported selling 955,000 RECs and transferring 39,817 RECs to ESS's since the last compliance reporting and included the required facility and REC information.
- OAR 860-083-0350(2)(h): Reported the required information from 130 unique generating facilities with REC delivery ranging from 2007 through 2024.
- OAR 860-083-0350(2)(p): The Company was not required to report accounting of use of RECs and alternative cost payments as cost limit was not reached.
- OAR 860-083-0350(2)(r): Reported acquiring [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] 2024 issued, bundled RECs ([BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] purchased and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] generated) costing [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] ([BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] purchased cost and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] generated cost).
- OAR 860-083-0350(2)(s): Reported no new qualifying electricity since the last Compliance Report.

Conclusion

Staff concludes that PGE has met the RPS compliance target mandated by ORS 469A.052(1)(b) and the RPS compliance reporting requirements mandated by OAR 860-083-0350.

PROPOSED COMMISSION MOTION:

1. Find PGE to be compliant with Oregon's Renewable Portfolio Standard during the 2024 period;
2. Direct PGE to retire the RECs identified in its 2024 Compliance Report; and

Docket No. UM 2387
October 6, 2025
Page 8

3. Direct PGE to provide a Western Renewable Energy Generation Information System retirement report to the Commission, subject to appropriate non-disclosure agreements, within 30 calendar days of the Commission's Order.