

*As an introduction and summary of the Compliance Report, answer the following questions:*

**Why is PGE submitting a Compliance Report? What information was used as the basis of this Compliance Report?**

As required by ORS 469A.170, PGE is submitting this 2020 Renewable Portfolio Standard Compliance Report to fulfill the requirements of Oregon's renewable portfolio standard (RPS). The report is based on actual renewable energy certificates (REC)-related activity, information from PGE's 2019 Integrated Resource Plan (IRP), and PGE's 2020 RPS Revised Renewable Portfolio Implementation Plan (RPIP), UM 2048, filed December 31, 2019.

**Did the company meet its RPS target, and if not, describe in detail why not?**

Yes, PGE has met its 2020 RPS target. The compliance details are provided in this report.

*Provide the following information in response to the requirements of OAR 860-083-0350:*

<b>OAR 860-083-0350(2)(a)</b>
<b>The total number of megawatt-hours sold to retail electricity consumers covered by ORS 469A.052 by the electric company or sold in the service areas of each electric company covered by ORS 469A.052 by the electricity service supplier.</b>

**Response:**

For 2020, the total number of megawatt-hours sold to retail electricity consumers was:

PGE's Total Billed Load:                      17,340,180      megawatt-hours

Source: 2020 PGE FERC Form 1 (Page 304, Row 41, Column (b)).

<b>OAR 860-083-0350(2)(b)</b>
<b>The total number of renewable energy certificates, identified as either unbundled or bundled certificates, acquired in the compliance year and used to meet the renewable portfolio standard.</b>

**Response:**

There were 194,231<sup>1</sup> unbundled renewable energy certificates (RECs) and 1,697,683 bundled RECs acquired for the compliance year 2020 (January 1, 2020 - December 31, 2020) that were used to meet the 2020 RPS requirement.

See Confidential Attachment E and Attachment F for additional support.

<sup>1</sup> 165,604 of these unbundled RECs were purchased in 2020 but have a 2011 – 2016 vintage and were generated from an Oregon qualified facility under PURPA (ORS 469A.145), therefore they do not contribute to the 20% unbundled cap per Commission [Order No. 15-259](#). The other 28,627 do apply to the 20% unbundled cap. See Attachment A for further breakdown.

**OAR 860-083-0350(2)(c)**

**The total number of renewable energy certificates, identified as either unbundled or bundled certificates, acquired on or before March 31 of the year following the compliance year and used to meet the renewable portfolio standard.**

**Response:**

There were no bundled RECs acquired between January 1, 2021 and March 31, 2021 that will be used to meet the RPS requirement for compliance year 2020.

There were no unbundled certificates acquired and/or issued between January 1, 2021 and March 31, 2021 that will be used to meet the RPS requirement for compliance year 2020.

See Confidential Attachment E for additional support.

**OAR 860-083-0350(2)(d)**

**The total number and cost of unbundled renewable energy certificates, identified as either banked or non-banked certificates, used to meet the renewable portfolio standard.**

**Response:**

There were a total of 664,980 banked unbundled RECs, and a total of 194,231 non-banked unbundled RECs, used to meet the 2020 RPS requirement. Confidential Attachment E provides the total number and cost by facility of the unbundled RECs used to meet the RPS. PGE is using the maximum allowable unbundled RECs, which is 20% of PGE's total obligation.

**OAR 860-083-0350(2)(e)**

**The total number of banked bundled renewable energy certificates that were used to meet the renewable portfolio standard.**

**Response:**

The total number of banked bundled RECs that will be used to meet the RPS for compliance year 2020 is 901,542.

See Attachment F for additional support.

**OAR 860-083-0350(2)(f)**

**The total number of renewable energy certificates, identified as either bundled or unbundled certificates, issued in the compliance year that were banked to serve Oregon electricity consumers.**

**Response:**

There were 0 unbundled RECs that were issued in the compliance year that were banked to serve Oregon electricity consumers.

As of this filing, there are 2,136,338<sup>2</sup> bundled RECs issued for the compliance year 2020 that will be banked to serve Oregon electricity consumers.

See the 2020 column in Attachment B for detail by facility of total RECs generated.

<b>OAR 860-083-0350(2)(g)</b>
<b>For electric companies, unless otherwise provided under subsection (2)(k) of this rule, the total number of renewable energy certificates included in the rates of Oregon retail electricity consumers that were sold since the last compliance report, including:</b>
<b>(A) The names of the associated generating facilities; and</b>
<b>(B) For each facility, the year or years the renewable energy certificates were issued.</b>

**Response:**

The table below shows the total number by facility and year issued of RECs included in the rates of Oregon retail electricity consumers that were sold since the last compliance report:

<b>Facility</b>	<b>Year</b>	<b>Total</b>
Biglow Canyon Wind Farm - Biglow Canyon 3	2020	284,622
Biglow Canyon Wind Farm - Biglow Phase 2	2020	325,446
Tucannon River Wind Farm - Tucannon River 1	2020	355,129
Tucannon River Wind Farm - Tucannon River 2	2020	323,867
<b>Grand Total</b>		<b>1,289,064</b>

The table below shows the total number by facility and year issued of RECs included in the rates of Oregon retail electricity consumers that were transferred to Electric Service Suppliers as required under Commission Order No. 19-129.

<b>Facility</b>	<b>Year</b>	<b>Total</b>
Round Butte – Round Butte 2	2020	3,892
Pelton – Pelton Gen 1	2020	10,908
Round Butte – Round Butte 1	2020	5
<b>Grand Total</b>		<b>14,805</b>

<sup>2</sup> Total RECs generated in 2020 (See Attachment B – 2,145,938), less 2:1 RECs (See Attachment B – 9,600), plus purchased bundled RECs issued in 2020 (0).

**OAR 860-083-0350(2)(h)**

**Unless otherwise provided under subsection (2)(k) of this rule, for each generating facility associated with the renewable energy certificates included in subsections (2)(b), (c), (f), or (g) of this rule the following information:**

- (A) The name of the facility;**
- (B) The county and state where the facility is located;**
- (C) The type of renewable resource;**
- (D) The total nameplate megawatt capacity of the facility;**
- (E) For an electric company, the Oregon share of the nameplate megawatt capacity of the facility;**
- (F) The year of the first delivery of qualifying electricity or the first year of the contract for the purchase of unbundled renewable energy certificates; and**
- (G) The duration of the contract or the amortization period of a facility owned by the electric company or the planned lifetime of a facility owned by the electricity service supplier.**

**Response:**

See Attachment C.

**OAR 860-083-0350(2)(i)**

**The amount of alternative compliance payments the electric company or electricity service supplier elected to use or was required to use to comply with the applicable renewable portfolio standard.**

**Response:**

There were no alternative compliance payments that PGE elected to use or was required to use to comply with the applicable renewable portfolio standard.

**OAR 860-083-0350(2)(j)**

**For an electric company, sufficient data, documentation, and other information to demonstrate that any voluntary alternative compliance payments were a reasonable compliance method.**

**Response:**

PGE has not made any voluntary alternative compliance payments for 2020.

**OAR 860-083-0350(2)(k)**

**Documentation of use of renewable energy certificates from the system under OAR 330-160-0020 established for compliance with the applicable renewable portfolio standard.**

**Response:**

The attached WREGIS report (Attachment D) shows all RECs to be used to meet the 2020 RPS. The RECs are currently in an active sub-account named "2020 Compliance RPS." Within 30 days of the approval of PGE's RPS Compliance Report by the Commission, the RECs will be

retired to a retirement sub-account named “OR RPS 2020.” To validate compliance, PGE will then send a retirement report from WREGIS to the Commission.

**OAR 860-083-0350(2)(I)**

**For each electric company, a detailed explanation of any material deviations from the applicable implementation plan filed under OAR 860-083-0400, as acknowledged by the Commission.**

**Response:**

The table below presents a comparison between the 2020 REC requirements as forecasted in UM 2048 (PGE’s 2020 RPIP) and the proposed 2020 REC retirements for 2020 RPS Compliance (Attachment D).

Material changes arose due to:

- Slightly higher compliance obligation due to slightly higher than forecast loads; an increase of 9,647 RECs.
- REC purchases: In 2020 unbundled RECs were found to be available at attractively low prices. Accordingly, PGE purchased and retired unbundled RECs equal to 20% of the 2020 RPS obligation.<sup>3</sup>
- Qualifying Facility (QF) RECs: The retirement logic employed in the 2020 RPIP (as well as the 2018 RPIP) forecasted the retirement of more 5-year RECs generated by QFs than occurred in 2020.
- Biglow Canyon, Tucannon River, Klondike, and ETO and Other Solar RECs: RECs retired from the Biglow Canyon and Tucannon River wind projects differ from the UM 2048 forecast due to differences between the forecasted and actual REC bank positions of REC types and vintages and the absence of RECs generated from QFs and the use of unbundled RECs. PGE prioritized the retirement by type (5-year RECs retired before infinite-life RECs) and vintage (older RECs before newer RECs). These differences, combined with purchased RECs, increased the retired RECs from Biglow Canyon Phases 1 and 2 and ETO and Other Solar, and decreased the number of RECs retired from Biglow Canyon Phase 3, Tucannon River, and Klondike II.

Also included in the 2020 RPIP was a forecast that included the retirement of unbundled RECs up to 20% of PGE’s compliance obligation (in shaded columns below). The addition of the 20% unbundled RECs shifted PGE’s REC retirement order position, which among other changes removed the retirement of most of the QF RECs.

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<sup>3</sup> See PGE’s response to OAR 860-083-0350(2)(b) for more detail on unbundled REC quantities.

Resource	Actual RECs in 2020 Compliance Plan	Reference Case		20% Unbundled Scenario	
		2020 Projection from 2020 RPIP	Deviation from Forecast	2020 Projection from 2020 RPIP	Deviation from Forecast
Unbundled RECs	859,211	0	859,211	706,569	152,642
Biglow Canyon Phase 1	657,511	322,457	335,054	322,457	335,054
Biglow Canyon Phase 2	580,816	179,849	400,967	394,806	186,010
Biglow Canyon Phase 3	91,926	348,742	(256,816)	348,742	(256,816)
Tucannon River	231,423	826,423	(595,000)	826,423	(595,000)
Klondike II	155,187	208,524	(53,337)	175,392	(20,205)
Vansycle Wind Project	82,436	67,257	15,179	67,257	15,179
Pelton/Sullivan/Round Butte Low-Impact Hydro	432,731	439,200	(6,469)	439,200	(6,469)
Hydro Upgrades	68,093	109,888	(41,795)	109,588	(41,495)
Bellevue/Yamhill Solar	2,766	6,046	(3,280)	6,030	(3,264)
Outback Solar	4,392	63	4,329	0	4,392
ETO and Other Solar	37,531	52,379	(14,848)	52,325	(14,794)
Qualified Facilities	170,356	887,961	(717,605)	0	170,356
Biogas	0	0	0	0	0
Purchased Bundled	84,057	0	84,057	0	84,057
<b>Total</b>	<b>3,458,436</b>	<b>3,448,789</b>	<b>9,647</b>	<b>3,448,789</b>	<b>9,647</b>

See Attachment F for additional support.

<b>OAR 860-083-0350(2)(m)</b>
<b>As specified in OAR 860-083-0100, the total number and cost of bundled renewable energy certificates used for compliance.</b>

**Response<sup>4</sup>:**

<sup>4</sup> Per OAR 860-083-0100(1)(i), incremental costs are deemed to be zero for qualifying electricity from generating facilities or contracts that became operational before June 6, 2007 and for certified low-impact hydroelectric facilities. Therefore, only the RECs from Biglow, Tucannon, and purchased bundled RECs have incremental costs. Part 13(a) states if new qualifying electricity in a compliance year totals less than 20 MW, the incremental cost is not required to be included in compliance reports.

<b>Total Number and Cost of Bundled RECs</b>		
<b>Resource</b>	<b>No. Of RECs</b>	<b>Total Cost</b>
Biglow Canyon Phase 1	657,511	\$25,728,405.43
Biglow Canyon Phase 2	580,816	\$17,836,859.36
Biglow Canyon Phase 3	91,926	\$6,109,401.96
Tucannon River	231,423	\$4,771,942.26
Purchased Bundled	84,057	\$304,165.20
Klondike II	155,187	\$0
Vansycle Wind Project	82,436	\$0
Pelton/Sullivan/Round Butte Low-Impact Hydro	432,731	\$0
Hydro Upgrades	68,093	\$0
Bellevue/Yamhill Solar	2,766	\$0
Outback Solar	4,392	\$0
ETO and Other Solar	37,531	\$0
Qualified Facilities	170,356	\$0
Biogas	-	\$0
<b>Total</b>	<b>2,599,255</b>	<b>\$54,750,774.21</b>

See Attachment F for additional support.

<b>OAR 860-083-0350(2)(n)</b>
<b>For each electric company, its projected annual revenue requirement as calculated in OAR 860-083-0200 and its total cost of compliance.</b>

**Response:**

PGE's annual revenue requirement for 2020 is: \$1,831,380,634<sup>5</sup>

PGE's total cost of compliance for 2020 is:

$$[2(d) + 2(m)] = \$398,193 + \$54,750,774 = \$55,148,967$$

Cost of compliance as percentage of revenue requirement is:

$$\$55,148,967 / \$1,831,380,634 = \mathbf{3.0\%}$$

See Attachment F for additional support.

<sup>5</sup> Source: PGE's final revenue requirement as authorized by Commission Order No. 18-464, Docket No. UE 335 (2019 general rate cate).

**OAR 860-083-0350(2)(o)**

**For each electricity service supplier, its total cost of compliance, its average cost of compliance, and its cost limit as specified in OAR 860-083-0300(2), including all calculations.**

**Response:**

Not applicable.

**OAR 860-083-0350(2)(p)**

**For each electric company, an accounting of the use of the renewable energy certificates and alternative cost payments consistent with OAR 860-083-0300(3) if the cost limit in ORS 469A.100(1) is reached for the compliance year.**

**Response:**

PGE did not reach the 2020 Compliance Cost limit specified in ORS 469A.100(1).

**OAR 860-083-0350(2)(q)**

**For each electricity service supplier, an accounting of the use of the renewable energy certificates and alternative cost payments consistent with OAR 860-083-0300(3) if the cost limit in OAR 860-083-0300(2) is reached for the compliance year.**

**Response:**

Not applicable.

**OAR 860-083-0350(2)(r)**

**As specified in OAR 860-083-0100, the number and total cost of all bundled renewable energy certificates issued.**

**Response:**

See Attachment B.

**OAR 860-083-0350(2)(s)**

**As specified in OAR 860-083-0100, the number and total cost of bundled renewable energy certificates issued that are associated with new qualifying electricity since the last compliance report.**

**Response:**

See Footnote 5 on Attachment B.

**OAR 860-083-0350(6)**

**Each electric company subject to ORS 469A.052 and each electricity service supplier subject to ORS 469A.065 must post on its web site the public portion of the four most recent annual compliance reports required under this rule and provide a copy of the most recent such report to any person upon request. The public portions of the most recent compliance report must be posted within 30 days of the Commission decision in section (5) of this rule. The posting must include any Commission determinations under section (5) of this rule.**



**Response:**

PGE will post its compliance report in accordance with the requirement, within 30-days of the Commission decision.

**OAR 860-083-0350(7)**

**Consistent with Commission orders for disclosure under OAR 860-038-0300, each electric company subject to ORS 469A.052 and each electricity service supplier subject to ORS 469A.065 must provide information about its compliance report to its customers by bill insert or other Commission-approved method. The information must be provided within 90 days of the Commission decision in section (5) of this rule or coordinated with the next available insert required under OAR 860-038-0300. The information must include the URL address for the compliance reports posted under section (6) of this rule.**

**Response:**

PGE will provide information about its compliance report to its customers in accordance with this requirement, within 90-days of the Commission decision or coordinated within the next available bill insert as required under OAR 860-038-0300.