

**Portland General Electric
Renewable Portfolio Standard
Oregon Supplemental Compliance Report 2019
UM 2112**

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 2019 Renewable Portfolio Standard Supplemental Compliance Report to fulfill the requirements of Oregon’s renewable portfolio standard (RPS), and to correct the prior 2019 RPS Compliance Report filed in July 2020. The report is based on actual renewable energy certificates (REC)-related activity, information from PGE’s 2019 Integrated Resource Plan (IRP), and PGE’s 2018 Renewable Portfolio Standard (RPS) Revised Renewable Portfolio Implementation Plan (RPIP), UM 1916, filed December 29, 2017.

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

Yes, PGE has met its 2019 RPS target. The compliance details are provided in this report.

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

OAR 860-083-0350(2)(a)
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.

Response:

For 2019, the total number of megawatt-hours sold to retail electricity consumers was:

PGE's Total Billed Load: 17,375,920 megawatt-hours

Source: 2019 PGE FERC Form 1 (Page 304, Row 41, Column (b)).

OAR 860-083-0350(2)(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.

Response:

There were 466,723 unbundled renewable energy certificates (RECs) and 1,196,375 bundled RECs acquired for the compliance year 2019 (January 1, 2019 - December 31, 2019) that were used to meet the 2019 RPS requirement.

See Confidential Attachment A and Attachment F¹ for additional support.

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, 2020 and March 31, 2020 that will be used to meet the RPS requirement for compliance year 2019.

There were no unbundled certificates acquired and/or issued between January 1, 2020 and March 31, 2020 that will be used to meet the RPS requirement for compliance year 2019.

See 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 54,555 banked unbundled RECs, and a total of 466,723 non-banked unbundled RECs, used to meet the 2019 RPS requirement. Confidential Attachment A 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 2019 is 874,730.

See Attachment F for additional support.

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

¹ Tab 2(b)(e)(f)(l)

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 2,064,197² bundled RECs issued for the compliance year 2019 that will be banked to serve Oregon electricity consumers.

See the 2019 column in Attachment B for detail by facility of total RECs generated.

OAR 860-083-0350(2)(g)

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:

(A) The names of the associated generating facilities; and
(B) For each facility, the year or years the renewable energy certificates were issued.

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 2019 Compliance Report filed June of 2019 and the supplemental in July of 2019:

Facility	Year	Total
Biglow Canyon Wind Farm - Biglow Canyon 3	2019	317,660
Biglow Canyon Wind Farm - Biglow Phase 2	2019	365,974
Tucannon River Wind Farm - Tucannon River 1	2019	349,059
Tucannon River Wind Farm - Tucannon River 2	2019	338,283
Grand Total		1,370,976

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;

² Total RECs generated in 2019 (See Attachment B – 2,078,202), less 2:1 RECs (See Attachment B – 14,005), plus purchased bundled RECs issued in 2019 (0).

(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 2019.

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 2019 RPS. The RECs are currently in an active sub-account named “2019 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 2019.” To validate compliance, PGE will then send a retirement report from WREGIS to the Commission.

OAR 860-083-0350(2)(l)
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 2019 REC requirements as forecasted in UM 1916 (PGE’s 2018 RPIP) and the proposed 2019 REC retirements for 2019 RPS Compliance (Attachment D).

Material changes arose due to:

- Lower compliance obligation due to slightly lower than forecast loads; a decrease of 417 RECs.
- REC purchases: In 2019, unbundled RECs were found to be available at reasonable prices. Accordingly, PGE purchased and retired unbundled RECs equal to 20% of the 2019 RPS obligation.
- Wind RECs: The distribution of actual retired RECs across the wind projects differ from the 2018 Revised RPIP due to differences between the forecasted and actual REC bank positions by REC type and vintage prior to retirement and the use of unbundled RECs for compliance. PGE retired RECs in the following priority: retirement of 5-year RECs over infinite-life RECs and older 5-year RECs over newer 5-year RECs. The distribution of REC retirements by resource is highly dependent on the REC type and vintage within each resource. These differences, combined with purchased RECs, increased the retired RECs from Biglow Canyon Phase 1 and decreased the number of RECs retired from Biglow Canyon Phases 2 and 3, Tucannon River, Klondike II, and Vansycle.

Resource	2019 Projection from 2018 RPIP^{3, 4}	Actual RECs in 2019 Compliance Plan	Deviation from Forecast
Unbundled RECs	-	521,278	521,278
Biglow Canyon Phase 1	82,911	1,077,548	994,637
Biglow Canyon Phase 2	445,109	10,905	(434,204)
Biglow Canyon Phase 3	198,505	7,958	(190,547)
Tucannon River Total	892,764	37,774	(854,990)
Klondike II	217,434	180,718	(36,716)
Vansycle Wind Project	71,163	56,875	(14,288)
Pelton/Sullivan/Round Butte Low-Impact Hydro	438,000	438,000	-
Hydro Upgrades	100,785	146,857	46,072
Bellevue/Yamhill Solar	6,379	2,679	(3,700)
Outback Solar	-	8,276	8,276
ETO and Other Solar	50,550	19,456	(31,094)

³ The RPS Compliance report adds forecasted SPO Solar RECs into ETO and Other Solar

⁴ While the RPIP includes Outback Solar with ETO and Other Solar, the 2018 RPIP (UM 1916) forecasted no Outback Solar RECs to be retired in 2019

Biogas	5,143	-	(5,143)
Purchased Bundled	84,059	84,059	0
Total	2,592,800	2,592,383	(417)

See Attachment F for additional support.

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

Response⁵:

Total Number and Cost of Bundled RECs		
Resource	No. Of RECs	Total Cost
Biglow Canyon Phase 1	1,077,548	\$42,164,453.24
Biglow Canyon Phase 2	10,905	\$334,892.55
Biglow Canyon Phase 3	7,958	\$528,888.68
Tucannon River	37,774	\$778,899.88
Purchased Bundled	84,059	\$300,069.03
Klondike II	180,718	\$0
Vansycle Wind Project	56,875	\$0
Pelton/Sullivan/Round Butte Low-Impact Hydro	438,000	\$0
Hydro Upgrades	146,857	\$0
Bellevue/Yamhill Solar	2,679	\$0
Outback Solar	8,276	\$0
ETO and Other Solar	19,456	\$0
Biogas	-	\$0
Total	2,071,105	\$44,107,203.38

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

Response:

⁵ 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 River, 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.

PGE's annual revenue requirement for 2019 is: \$1,831,380,634⁶

PGE's total cost of compliance for 2019 is:

$$[2(d) + 2(m)] = \$221,743 + \$44,107,203.38 = \$44,328,946.38$$

Cost of compliance as percentage of revenue requirement is:

$$\$44,328,946.38 / \$1,831,380,634 = 2.4\%$$

See Attachment F for additional support.

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 2019 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)

⁶ Source: PGE's final revenue requirement as authorized by Commission Order No. 18-464, Docket No. UE 335 (2019 general rate cate).

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.