

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 20, 2008**

REGULAR CONSENT EFFECTIVE DATE _____ N/A _____

DATE: May 5, 2008

TO: Public Utility Commission

FROM: Lisa Schwartz

THROUGH: Lee Sparling and Ed Busch

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1376) Application for waiver of OAR 860-038-0300(2) and (3), requirements for quarterly power source disclosure.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Portland General Electric's application for waiver of the requirements for quarterly power source disclosure for the second and third quarters of 2008.

DISCUSSION:

On April 9, 2008, Portland General Electric (PGE or company) filed an application requesting the Commission waive the requirements under OAR 860-038-0300(2) and (3) for the remainder of 2008 or until such time as the final rule implementing the renewable portfolio standard is established. The disclosure rules require PGE to report to customers the price, power source and environmental impacts for each of its services and products in a format prescribed by the Commission.

The Oregon Renewable Energy Act (Senate Bill 838, 2007 Session) provides for banking of renewable energy certificates toward compliance with the Act's renewable portfolio standard (RPS).¹ The first compliance year is 2011. The Oregon Department of Energy recently adopted rules allowing banking of certificates issued on or after

¹ SB 838, Section 1, defines a banked renewable energy certificate as "...a bundled or unbundled renewable energy certificate that is not used by an electric utility or electricity service supplier to comply with a renewable portfolio standard in a calendar year and that is carried forward for the purpose of compliance with a renewable portfolio standard in a subsequent year."

January 1, 2007. Utilities use previous calendar year data for the power source and environmental impact information they provide to customers. Thus, PGE will use 2007 data for its 2008 bill inserts on power source disclosure.

Commission staff has drafted proposed rules that would allow renewable energy certificates to be used both for RPS compliance and power source disclosure only if both uses occur in the same year. Staff is working with the utilities and consumer and environmental groups on how to effectively communicate to consumers the utilities' renewable resource acquisitions while appropriately disclosing power sources as utilities bank and retire certificates for RPS compliance.

OAR 860-038-0001(4) allows the Commission to relieve a utility of the requirements of any Division 38 rule for good cause shown. Staff recommends the Commission grant PGE's requested waiver for the second quarter and third quarters of 2008, rather than the remainder of the year. The Commission provided a similar waiver for PacifiCorp in Order No. 08-211. PGE finds this acceptable.

Granting the waiver will prevent disclosure of information in a manner inconsistent with proposed rules staff is considering in Docket AR 518.

PROPOSED COMMISSION MOTION:

PGE's application for waiver of the requirements for quarterly power source disclosure be approved for the second and third quarters of 2008.