

Oregon Clean Fuels

2021 Annual Report



May 2 2022

Table of Contents

List of Tables	2
About PacifiCorp	3
I. Introduction	4
Purpose	4
Background	4
II. Program Design Principles.....	5
III. Revenue and Costs	5
IV. Description of 2021 Programs	6

List of Tables

Table 1: 2021 Total Revenue and Total Costs.....	6
Table 2: 2021 Grant Matching Awardees.....	8

I. About PacifiCorp

PacifiCorp, operating as Pacific Power, provides safe and reliable electric service to more than 773,000 customers in 243 communities across Oregon, Washington, and California. PacifiCorp is one of the lowest-cost electricity producers in the United States, serving nearly two million customers in six western states as the largest regulated utility owner of wind power in the West. For more information, visit www.pacificpower.net.

PacifiCorp serves roughly 600,000 customers in over 200 communities across the state of Oregon. This diverse and widespread service area covers 21,292 square miles and touches each of the state's four borders. While the company serves roughly 75,000 customers in North and Northeast Portland, the majority of PacifiCorp customers live in smaller communities and more rural areas. PacifiCorp's service area across California and Washington is likewise rural and dispersed. With roughly 45,000 customers in California and 130,000 customers in Washington.

We are dedicated to helping customers and communities thrive by delivering an energy future that is reliable, affordable, sustainable, and safe. To do this, we work to protect and enhance the environment by conserving natural resources, reducing emissions, and protecting wildlife and habitat. We shape forward-thinking policies and innovative solutions to improve the livability of customers' hometowns and neighborhoods. We take pride in being an active member in the communities we serve, always striving to make the place our customers call home a better place to live.

II. Introduction

Purpose

PacifiCorp developed its Clean Fuels Plan (Plan) in response to Public Utility Commission of Oregon (Commission) Order No. 18-376, which directed utilities to propose programs that utilize Oregon Clean Fuels Program (CFP) funds in accordance with Commission-approved principles.¹ Commission Order No. 18-376 established a schedule for the development of programs and required utilities to file their final program(s) and expenditure plans in docket UM 1826. Since, 2019, PacifiCorp has filed yearly Plans for stakeholder feedback and acknowledgement by the OPUC.

In accordance with OAR 340-253-0640(9), PacifiCorp hereby submits the Annual Utility Report.

Background

The Oregon CFP evolved as a product of House Bill 2186 (2009), Senate Bill 324 (2015), and the rules promulgated by the Oregon Department of Environmental Quality in Oregon Administrative Rules (OAR) Chapter 340, Division 253. The initial goal of the CFP is to reduce the carbon intensity of the transportation fuels used in the state by 10 percent from 2015 levels by 2025. In March 2020, Governor Brown signed Executive Order 20-04, expanding the goals of the CFP to reduce carbon intensity by 20 percent from 2015 levels by 2025 and 25 percent reduction by 2030. In March 2021, the Environmental Quality Commission adopted amendments to the CFP rules to advance methods accelerating the generation and aggregation of clean fuels credits by utilities. The rule amendments include changes and additions that will further incent the generation and aggregation of electricity credits.

Fuel importers that do not otherwise meet the annual carbon intensity reduction standards may comply with those standards by purchasing credits from credit generators. Electricity is a transportation fuel under the CFP rules, and registered electric utilities are eligible to generate credits from residential charging of PEVs in their service territories.² In July 2017, the Commission directed PacifiCorp to register as a generator of residential clean fuels credits before the October 1, 2017 deadline.³ PacifiCorp is separately generating non-residential credits from its public charging and demonstration and development pilots, which are used to offset the costs of those programs and which are outside the scope of this document.

When the Commission determined that utility participation in residential credit generation was in the public interest, it also determined that it was appropriate to provide guidance on how credits would be monetized and how resulting revenue would be spent. PacifiCorp actively participated in docket UM 1826, where the Commission established guidance on credit monetization⁴ and program design principles.⁵

PacifiCorp received 12,575 credits from residential electric vehicle (EV) use in 2016 and 2017 and monetized these credits in December 2018 and January 2019 for a total of approximately \$1.5 million. In March 2019, PacifiCorp received and monetized 9,830 credits generated from residential EV charging in 2018, generating a total of approximately \$1.5 million. In March 2020, PacifiCorp received 12,206 credits from residential EV charging in the year 2019, generating a total of \$1.47 million for the 2021 program year. This document outlines PacifiCorp's annual report from the sale of residential CFP credits issued in 2020 and funded the program year 2021.

¹ This proposal makes distinctions between: 1) the CFP, which is a state program that awards CFP credits for plug-in electric vehicle (PEV) charging; 2) PacifiCorp's Plan, which establishes the programs that PacifiCorp operates with CFP revenues; and 3) the programs (CFP Programs) that PacifiCorp operates under the Plan.

² OAR 340-253-0330 includes guidance regarding role of electricity providers as clean fuels credit generators.

³ *In the Matter of Public Utility Commission of Oregon, Investigation into Utility Participation in Oregon Clean Fuels Programs*, Docket No. UM 1826, Order No. 17-250 (July 12, 2017).

⁴ *Id.*, Order No. 17-512 (Nov. 3, 2017).

⁵ *Id.*, Order No. 18-376 (Oct. 1, 2018).

III. Program Design Principles

In Order No. 18-376, the Commission identified six principles to guide utility expenditure of residential CFP credit revenue:

1. Support the goal of electrifying Oregon’s transportation sectors.
2. Provide majority of benefits to residential customers.
3. Provide benefits to traditionally underserved communities.⁶
4. Programs are designed to be independent from ratepayer support.
5. Programs are developed collaboratively and transparently.
6. Maximize use of funds for implementation of programs.

In addition, the Commission—by adopting Staff’s recommendations in Order No. 18-376—suggested that overall administrative costs of 10 percent or less would be appropriate, subject to some variation by program.⁷

Program Offering	Support the goal of electrifying Oregon’s transportation sectors.	Provide majority of benefits to residential customers.	Provide benefits to traditionally underserved communities.
E-Mobility Funding	<ul style="list-style-type: none"> Enabling projects of all types to advance electrification 	<ul style="list-style-type: none"> Project must serve residential customers to be awarded 	<ul style="list-style-type: none"> Prioritizes projects serving underserved communities
Grant Match Funding	<ul style="list-style-type: none"> Funds only awarded to projects in need of grant matching and that are TE focused 	<ul style="list-style-type: none"> Requirement of funding to ensure majority of benefits go to residential customers 	<ul style="list-style-type: none"> Projects awarded must serve underserved communities
Dealer Engagement	<ul style="list-style-type: none"> Supports point of sale information regarding EVs 	<ul style="list-style-type: none"> Chargeway beacons mostly focused on household car owners, placed in locations that mostly sell light duty vehicles 	<ul style="list-style-type: none"> Dealerships are located within rural communities
Statewide Campaign	<ul style="list-style-type: none"> Supports marketing efforts through the Oregon’ campaign to educate the public about the future of transportation electrification 	<ul style="list-style-type: none"> Marketing is focused just to residential households 	<ul style="list-style-type: none"> Marketing campaigns have focused efforts on bringing in BIPOC communities and rural communities

IV. Revenues and Costs

Table 1, below, shares the total revenue and total costs associated with the 2021 calendar year. The credits PacifiCorp monetized in 2020 do not include incremental credits,⁸ so the following revenue amount is based

⁶ As defined in Commission Order No. 18-376, “Communities traditionally underserved by access to electric vehicles include but are not limited to multi-family housing, low-income communities, and areas with a low density of public charging stations.”

⁷ Order No. 18-376, Appendix A, Page 8.

⁸ PacifiCorp intends to claim incremental credits for charging in calendar year 2021, for monetization in 2022. See Section VI below.

solely on base credit sales. Relatedly, PacifiCorp’s 2021 costs were funded with revenue generated from the sale of its base credits.

Table 1: 2021 Total Revenue and Total Costs

Revenue		\$ 1,474,300
Costs		\$ 1,368,098
1	Projects	\$1,215,000
	E-Mobility Grant Program	\$800,000
	Grant Matching Fund	\$65,000
	Portland Fast Chargers ⁹	\$350,000
2	Outreach and Education	\$85,000
	Dealer Engagement	\$20,000
	Statewide Education Campaign	\$65,000
3	Program Administration	\$68,098
	Grant Evaluation	\$31,032
	Program Admin	\$37,066

PacifiCorp’s 2021 administrative costs (\$68,098) comprise 5% of the total 2021 CFP costs expended (\$1,368,098).

V. Description of 2021 Programs

The following section describes the programs that were funded by CFP revenue from the sale of base credits . PacifiCorp utilized CFP revenue to support grant funding through both the E-Mobility Grant program and grant matching as well as a number of outreach and education activities.

Grant Funding

- E-Mobility Grant Program
- Grant Matching Fund

Outreach & Education

- Statewide Marketing Campaign
- Dealership Engagement

E-Mobility Grant Projects

PacifiCorp awarded E-Mobility Grants to select nonprofits, local governments and hospitals served by PacifiCorp in Oregon, with 11 grant awards ranging from \$17,000 to \$200,000 and totaling \$800,000. These grants will fund a range of community-driven electric transportation projects including from adding charging options along the I-84 corridor in eastern Oregon, and purchasing electric vehicles for shared use by low-income residents in Portland. The grant awardees demonstrated a commitment to long-term sustainability, equity and increasing access to electric charging services in rural areas. E-Mobility Grant recipients’ summaries are provided below.

⁹ Portland Fast Chargers were committed to during the 2021 program budget to support the development of DCFC installations in new multi-use development in Portland.

- **Athena One Stop** – Funds will be used to install two fast charging stations to help bridge the charging gap along the I-84 corridor between Pendleton and Walla Walla. This rural community hopes to stimulate more charging infrastructure along I-84.
- **Rogue Valley Council of Governments** – This is a voluntary association of 24 local jurisdictions, special districts, and education institutions in southwest Oregon. The electric vehicle procured with this grant will allow RVCOG staff to provide a multitude of direct services to local government, as well as community members that participate in and/or are serviced by the RVCOG's Senior and Disability Services.
- **Portland Community Reinvestment Initiatives** – Funds will be used for charging infrastructure and three different kinds of electric vehicles offering an affordable transportation solution to low-income Portland residents.
- **Astoria Cooperative** – Funds will be used to install two Level II chargers for community use. Astoria Cooperative is a local leader in sustainability and green technology. They are well-positioned to serve the community through ease-of-access charging options for locals and visitors.
- **The Blueprint Foundation** – Funds will be used for charging infrastructure, an electric van and an electric transportation education initiative. The Blueprint Foundation prepares black youth in Portland for careers in environmental science and green construction through project-based mentorship.
- **Portland NAACP** – Funds will be used for new charging infrastructure and an electric shuttle bus. This project drives toward the goal of promoting electrification education and advancing transportation equity by directly serving Portland residents where public transportation is not easily accessible, reliable, affordable, or available. The electric shuttle bus will also be used to mobilize the collection and delivery of emergency supplies in times of need.
- **Columbia Gorge Community College** – Funds will be used to install four Level II charging stations on campus. This project will create exposure for college students who currently have limited access to electric transportation and meet the on-site charging needs of students, staff, visitors and faculty as electric vehicle use grows.
- **Southwestern Oregon Community College** – Funds will be used to install four Level II charging stations. This two-year institution primarily serves a rural/agricultural student base. This project will expand electric vehicle accessibility options for residents and electric vehicle owners traveling through the area.
- **Klamath Community College** – Funding charging infrastructure and plans to create a workforce training program in electric vehicle systems analysis, equipment and/or vehicle repair. This project will serve a wide variety of electric vehicle owners, including staff and students already on campus and travelers along Highways 39 and 140.
- **Bend Parks and Recreation** – Funds will be used for a new electric mower providing an opportunity to compare costs and efficiencies against a gas-powered mower and share learnings with other Parks and Rec departments. Bend Parks and Recreation Department maintains and operates over 3,000 acres of parkland. They are continuously seeking ways to continue this work in more sustainable ways.
- **Providence Hood River Memorial Hospital Foundation** – The grant will fund the purchase (or lease) of an electric vehicle and will primarily serve low-income, senior, disabled, and veteran residents of Hood River. This project removes transportation barriers for patients without vehicles or who are unable to drive themselves to appointments.

Grant Matching

PacifiCorp provided Grant Matching Funds to three grantees in 2021. Table 3, below, details the value awarded and descriptions are provided further below.

Table 2: 2021 Grant Matching Awardees

Name	2021 Funding
Forth AMP	\$ 10,000
Portland Public Schools	\$ 50,000
Forth West Smart 2.0	\$ 5,000

- **Forth AMP:** Funding was provided to enable Forth to develop and refine a model to provide electric vehicles and EV charging stations to residents of affordable housing sites and their employees in a way that is widely replicable nationwide.
- **Portland Public Schools, Student Transportation:** Grant funding was awarded for the procurement of and electric bus and installation of charging infrastructure.
- **Forth DriveWest:** Funding was provided to survey TNC drivers in PacifiCorp service territory to determine driving patterns and charging partners of TNC drivers. This project is part of the WestSmart 2.0 project.

Outreach & Education Programs

Continue Dealer Engagement

PacifiCorp provided funding to deploy Chargeway Beacons in four rural Oregon dealerships. Chargeway is a system that uses colors to identify plug types and numbers for power levels. The higher the number, the faster an EV owner can charge at that station. Customers can use the labeling system on charging stations, the Chargeway Beacons, and the Charge way app to easily differentiate among charging options and simplify their interaction with electricity as a transportation fuel. The Chargeway app is free to download for all PacifiCorp customers and shows the simple color and number icons on a map that identifies all charging options available for every electric car a user adds to their account. The Beacon is a six-foot interactive touch screen that shows charging locations and aids salespeople in communicating about electric fuel. The Beacons also collect data on customer use of the Beacons, providing PacifiCorp with insights into residential customer engagement at dealerships.

Customer Communications and Statewide Campaign

PacifiCorp recognizes the need to continue supporting the statewide education and outreach campaign, Oregon' Electric, to engage a broader group of customers in the benefits of electric transportation. PacifiCorp collaborated with PGE and others to build on the brand-neutral statewide campaign and look for ways to leverage existing outreach activities. Funds supported paid media, earned media outreach, content development, and dealership engagement.

VI. Incremental Credits

PacifiCorp intends to begin claiming residential incremental CFP credits based on year-end 2021 registrations of 10,591 EVs and plug-in hybrid EVs, totaling 30,639 kilowatt-hours (kWh) of charging in 2021. Under OAR 340-253-0450 and 340-253-0470, PacifiCorp may claim incremental credits based on charging associated with EV drivers who participate in the PacifiCorp's voluntary Renewable Energy Certificate (REC)-based programs. (PacifiCorp calls its voluntary REC programs the Blue Sky programs.) Ascribing a zero-carbon value to charging load from Blue Sky participants allows PacifiCorp to reduce the carbon intensity of its electricity, thereby increasing the number of credits it generates. PacifiCorp identified 16% of its Blue Sky participants as utilizing EV charging as of year-end 2020. PacifiCorp subsequently purchased additional qualifying RECs under DEQ criteria to apply to residential charging that is not attributed to its Blue Sky programs.