

Oregon Clean Fuels Program

2023 Annual Report



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About PacifiCorp

PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) provides safe and reliable electric service to more than 800,000 customers in Oregon, Washington and California. The company supplies customers with electricity from a diverse portfolio of generating plants including hydroelectric, natural gas, coal, wind, geothermal and solar resources. Pacific Power is part of PacifiCorp, one of the lowest-cost electricity producers in the United States, with 2 million customers in six western states. For more information, visit www.pacificpower.net.

PacifiCorp serves 620,000 customers in 170 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 approximately 75,000 customers in north and northeast Portland, the majority of PacifiCorp customers live in smaller communities and rural areas. PacifiCorp's service area across California and Washington is likewise rural and dispersed, with roughly 45,000 customers in California and 135,000 customers in Washington.

The Company is 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.

I. 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. Most recently, PacifiCorp has included the clean fuels expenditures as part of the Oregon Transportation Electrification Plan that was filed in February 2023,² with a final version filed in May of 2023.³ The Commission approved the final TEP in July 2023.⁴

In accordance with OAR 340-253-0640(11), 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 incentivize 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.⁵ In July 2017, the Commission directed PacifiCorp to register as a generator of residential clean fuels credits before the October 1, 2017 deadline.⁶ PacifiCorp is separately generating non-residential credits from its public charging and demonstration and development pilots and some grant recipient sites, which are used to offset the costs of programs.

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 monetization⁷ and program design principles.⁸

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

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 Pacific Power. (February 2023). Pacific Power Draft Oregon Transportation Electrification Plan. edocs.puc.state.or.us/efdocs/HAQ/um2056haq174652.pdf

³ Pacific Power. (May 2023). Pacific Power Final Oregon Transportation Electrification Plan. edocs.puc.state.or.us/efdocs/HAH/um2056hah104112.pdf

⁴ Order No. 23-257 (2023). Pacific Power Oregon Transportation Electrification Plan. [ORDER NO. \(state.or.us\)](https://state.or.us/orders/23-257)

⁵ OAR 340-253-0330 includes guidance regarding role of electricity providers as clean fuels credit generators.

⁶ Order No. 17-250 (July 12, 2017). Investigation into Utility Participation in Oregon Clean Fuels Programs. [UM 1826, ORDER, 7/12/2017 \(state.or.us\)](https://state.or.us/orders/17-250)

⁷ Order No. 17-512 (December 18, 2017). [UM 1826, ORDER, 12/18/2017 \(state.or.us\)](https://state.or.us/orders/17-512)

⁸ Order No. 18-376 (Oct. 12, 2018). [UM 1826, ORDER, 10/12/2018 \(state.or.us\)](https://state.or.us/orders/18-376)

charging in the year 2019, generating a total of \$1.47 million for the 2021 program year. In April 2021, PacifiCorp received 17,691 credits from residential charging, generating a total of \$2,173,577. In 2022, PacifiCorp received 20,779 credits from residential charging generating \$2,366,601. In 2023, PacifiCorp received 55,145 credits for residential charging in 2022, which generated \$6,350,007.

This document outlines PacifiCorp’s annual report for the program year 2023.

II. Program Design Principles

The Oregon Public Utility Commission issued Order No. 22-336⁹, which created permanent changes to Division 87 of the Oregon Administrative Rules (OAR) addressing the Transportation Electrification (TE) planning process to be consistent with Executive Order 20-04¹⁰ and 2021 HB 2165.¹¹ These rules are informed by a staff guidance document that was adopted on August 26, 2022, in docket UM 2165 in Order No. 22-314.¹²

Through the orders described above, the Commission identified five 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.¹³
- 4. Programs are developed collaboratively and transparently.
- 5. Maximize use of funds for implementation of programs.

Clean fuels program funds are now being used to support implementation of Pacific Power’s entire TE portfolio of activities. Prior to this portfolio approach, Clean Fuels Funds were more narrowly focused on grant programs and limited outreach activities. Following the approval of the TEP, the Clean Fuels funds are braided with Pacific Power’s System Benefit Charge, which includes a Transportation Electrification public purpose charge. This supports TE investments statewide across the Company’s service area. PacifiCorp also acts as a third-party aggregator and generates non-residential credits from grant-funded non-residential customer sites, which generates additional revenue for the portfolio.

The program offerings supported by the Oregon Clean Fuels Program funds align with the design principles identified by the Commission. Table 1, below, provides information on program offerings and how these offerings meet the design principles provided by the Commission.

Table 1: Program Alignment with Design Principles

Program Offering	Support the goal of electrifying Oregon’s transportation sectors.	Provide majority of benefits to residential customers.	Provide benefits to traditionally underserved communities.
Grant Programs	<ul style="list-style-type: none">Grant funds enable projects of all types to advance electrification	<ul style="list-style-type: none">Project must provide benefits to residential customers to be awarded	<ul style="list-style-type: none">Prioritizes projects serving undeserved communities

⁹ Order No. 22-336 (September 8, 2022). Revisions of Division 087 Administrative Rules. [AR 654 \(Transportation Electrification\)...rder Second Time around encrypted .pdf \(state.or.us\)](#)
¹⁰ State of Oregon Executive Order 20-04. (March 10, 2020) [eo-energy-20-04.pdf \(oregon.gov\)](#)
¹¹ 2021 HB 2165 (May 26, 2021). [HB2165 \(oregonlegislature.gov\)](#)
¹² Order No. 22-314. (August 26, 2022). [UM 2165 PM Order 8-23-22 encrypted .pdf \(state.or.us\)](#)
¹³ 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.”

Outreach & Education	<ul style="list-style-type: none"> Build awareness of transportation electrification options 	<ul style="list-style-type: none"> Events are primarily community-focused events, ride and drive events, school events, or information available at Dealerships 	<ul style="list-style-type: none"> Outreach & Education events are prioritized in underserved communities
Portfolio Programs	<ul style="list-style-type: none"> Supports customers in understanding funding opportunities from federal, state and utility resources and specific site needs Engaged stakeholder groups to develop a more robust set of customer offerings 	<ul style="list-style-type: none"> Grant blueprint services focus on groups that serve residential customers such as tribes and schools 	<ul style="list-style-type: none"> Underserved community maps were updated; Stakeholders from underserved communities were engaged in program development and planning activities

III. Revenues and Costs

Table 2, below, displays total residential credit revenue and total costs associated during the 2023 calendar year. PacifiCorp monetized both base and incremental credits in 2023, thus the following revenue amount includes both residential base and incremental credit sales during 2023. Table 2 only illustrates the revenues and costs associated with only clean fuels credits.¹⁴ These values reflect only actual payments made during the calendar year, which includes payments made to grant recipients for commitments made in prior years.

Table 2: 2023 Total Clean Fuels Residential Revenue and Total Costs (In Thousands)

Revenue (in Thousands)	\$	3,017
Costs (in Thousands)	\$	3,587
1. Program and Pilot Expenses	\$	2,224
a. Grant Programs	\$	2,147
b. Outreach & Education	\$	31
c. Portfolio Programs	\$	47
2. Renewable Energy Certificates Purchases	\$	624
3. Program Administration	\$	738

In accordance with the new Division 87 rules, PacifiCorp considers the entire portfolio when calculating administrative costs. The administrative costs reported above only include Clean Fuels Funds used in 2023. During this inaugural year of the TEP, there was a significant amount of work related to stakeholder engagement, equity analysis, and planning activities. For example, the Company incurred program administrative expenses in 2023 for Managed Charging, but the pilot will not launch until 2024. As new programs are launched in 2024 & 2025, and additional customer grants and incentives are distributed, the

¹⁴ PacifiCorp used revenue generated in previous years to support the program payments in 2023. Thus, the program spending did not generate a deficit in 2023.

Company anticipates the ratio of administrative costs will be reduced over time. At the portfolio level, the administration rate is trending lower.

IV. Description of 2023 Programs

The following section describes the programs that were funded by CFP revenue from the sale of residential credits. PacifiCorp utilized CFP revenue to support grant funding opportunities as well as outreach and education efforts.

E-Mobility Grant Projects

Electric Mobility Grant

Pacific Power awarded more than \$2 million to 22 organizations in Oregon for projects that will expand electric mobility and connect people across the state to the cost-saving, clean-air benefits of electric vehicles. The latest round of Electric Mobility Grants will help bring an electric forklift to a community college in Pendleton, an electric refrigerated truck to a food bank in Bend, the first electric vehicle to the Falls City Public Works Department and free e-bikes to residents of a Central Oregon affordable housing complex. In addition, a dozen community-focused organizations and nonprofits will be able to purchase electric vehicles to help them carry out their work, and EV charging stations will be installed from Wallowa County to the South Coast, serving areas that currently lack adequate public charging.

The following projects were selected in 2023 for E-Mobility Grants:

Central Oregon

- The Giving Plate (Bend). The Giving Plate, which addresses childhood hunger across Central Oregon, will use funds to purchase an electric refrigerated truck and a used electric passenger car that will travel to underserved communities to deliver food. Funding will also cover the installation of a charging station to support the vehicles and provide public charging.
- The Deschutes River Conservancy (Bend). The conservancy is dedicated to restoring streamflow and improving water quality in the Deschutes River Basin. Funds will be used to install two EV charging ports and purchase an electric truck for delivering in-person programming to more rural corners of the basin, and to work with economically disadvantaged communities that depend heavily on agriculture.
- Crook County Justice Center (Prineville). The justice center campus serves many at-risk, socially vulnerable and low-income residents in an area that has limited access to EV infrastructure. Funds will be used to install eight EV charging ports on the campus – two in a secure lot reserved for staff and six available to the public.
- RootedHomes (Bend). RootedHomes develops affordable net-zero housing to help solve a growing housing crisis for Central Oregon's workforce. In partnership with Ride2You, they are tackling the issue of cost-effective, long-term, sustainable transportation by offering a free e-bike to each household in a 40-unit affordable housing community, using E-mobility funds to purchase the bikes.
- Deschutes Children Foundation/Friends of the Children Central Oregon (Bend). Dedicated to guiding and supporting young children from disadvantaged backgrounds, the foundation will use funds to purchase an electric van that will transport program participants to activities that help educate and prepare them for the future.

Eastern Oregon

- Blue Mountain Community College (Pendleton). The rural community college will use funds to procure two EVs and an electric-powered forklift. With these purchases, the college seeks to reduce harmful emissions; benefit a diverse and underserved student body; and foster electric mobility interest, education and use in the community.

- Wallowa Lake Lodge (Joseph). Funds will be used to install an EV charger that will be available to tourists and community members who attend meetings, events, celebrations and lectures at the lodge.
- Winding Waters Medical Clinic (Wallowa). Winding Waters is a rural medical clinic that serves the community through its facility, supplemented by a care team that performs home visits and medication deliveries. Funds will be used to install an EV charger at the clinic, available to the public 24/7.
- Confederated Tribes of Warm Springs Branch of Public Utilities (Warm Springs). The rural and Tribal utilities department seeks to embrace electric transportation and provide supporting infrastructure in a community severely underserved by EV infrastructure. Funds will be used to help the utility advance its forward-looking electrification plans by purchasing two EV trucks and providing two new publicly available charging ports, free for use by low-income families.
- Wallowa County (Enterprise). In a rural area underserved by EV infrastructure, the county will use funds to install a dual-port charger on the grounds of the historic Wallowa County Courthouse in downtown Enterprise, a tourist destination and highly visible location for promoting the use of EVs.

Northern Coast

- Astoria Chamber of Commerce/Oregon Coast Visitors Association (Tillamook). Funds will be used to survey the Oregon coast and identify areas where EV charging infrastructure is most needed to serve the area's 600,000 residents and 6.2 million annual visitors.
- Samaritan North Lincoln Hospital (Lincoln City). Funds will be used to install two dual-port EV charging stations, one that will provide free charging for patients and visitors and one that will be available to employees for a nominal fee.
- Seaside Park and Pay LLC and Avi Enterprises LLC (Seaside). Funds will be used to install two new dual-port chargers in a privately owned public parking lot. The site is located in an important EV corridor on Oregon's north coast that is underserved by EV infrastructure relative to tourist numbers and demand.

Portland and Hood River

- Forth LLC (Portland). In keeping with its mission to electrify transportation and reduce barriers to access, Forth will use funds to purchase a commercial electric pickup truck that will travel to various events as part of an educational mobile showcase developed to encourage dialogue about EVs, especially in underserved and rural communities. Other purchases include kiosks, vinyl graphics and marketing supplies to support the education and outreach campaign.
- Going Home II (Portland). To support its work helping incarcerated people make the transition to community life, Going Home II will use funds to purchase a plug-in hybrid EV and two charging ports for its ride-sharing system. The vehicles will facilitate clients' access to job interviews, rehabilitation programs and more.
- Our Streets (Portland). Serving those experiencing housing and food insecurities, Our Streets prepares and delivers 1,000 meals a day to shelters and other community partners in the Portland metro area. Funds will be used to install a charging port and purchase an electric van for shuttling between kitchen, procurement and donation runs.
- Hood River Valley Adult Center (Hood River). Funds will be used to install four publicly accessible EV charging ports. The center runs a volunteer Circles of Care program that provides free rides to medical appointments, and being able to charge EVs quickly is important. Other groups that will benefit from additional charging capacity include 30 EV drivers associated with the center and residents of a nearby senior-living facility.

Rogue Valley

- United Way of Jackson County (Medford). The organization will use funds to educate the community on the importance of electric wheelchair charging and to create a network of businesses that will provide equipment and spaces for community members to charge their wheelchairs while on-site.

Southern Coast

- Coquille Indian Tribe. Funds will be used to install four EV charging ports with designated parking spaces at the Tribe's new wellness center. Residents and visitors will have easy access to nearby amenities, small businesses and health resources while using the charging station, potentially benefiting the local economy.

Willamette Valley

- Falls City. This city of about 1,000 residents lacks a gas station and will use funds to purchase its first electric vehicle for the Public Works Department. It is expected to save the city thousands of dollars as it is used for meter reading and park and road maintenance rounds.
- Mary's River Watershed Council (Corvallis). This nonprofit, which provides watershed restoration and education programs for students, will use grant funds to purchase an electric truck and install a publicly accessible EV charging station. The truck will transport employees and program participants to project sites and greenspaces that might otherwise be inaccessible.
- The Health Hub/Friends of the Children Lane County (Cottage Grove). Focused on guiding and supporting young children from disadvantaged backgrounds, the nonprofit program will use grant funds to purchase two SUVs that will transport young participants to activities that help educate and prepare them for the future.

Grant Matching & Grant Writing Support

PacifiCorp provided Grant Matching Funds to two grantees in 2023. Table 3, below details the value of awarded and descriptions are provided further below.

Table 3: 2023 Grant Matching Awardees

Name	Project Description
New Buildings Institute	This award complemented a federal U.S. Department of Energy MOVER grant supporting Hood River School District. The MOVER project will enable the purchase of EVSE and Electric Vehicles.
City of North Bend	This award complemented a grant provided by the Oregon Coastal Visitors Association to host a weekend event for National Drive Electric Week in September 2023 along highway 101.
Grant Writing Support: Although Pacific Power offered microgrants for grant writing support, there were no approved awards for this purpose in 2023.	

Grantee Roundtable Events

PacifiCorp hosted one roundtable event last year in April 2023. This was the second grantee roundtable to date. The grantee roundtables create a space for learning and cross-sharing amongst grantees to spawn a network of support. This round table hosted discussions on an e-bus learning project, a passenger program, and an electric transportation-related workforce development program. These roundtables are planned to continue in 2024.

Outreach & Education Programs

PacifiCorp promoted various EV marketing and outreach campaigns designed to bring awareness to the benefits EV technology can provide communities. PacifiCorp has leveraged outreach and education campaigns to build awareness of the Company's TE offerings, provide self-service online tools for customers

seeking support, free technical commercial and fleet assistance studies for commercial customers, sponsorships to support statewide outreach, continued dealership engagement and high-school education programs for future workforce development.

Portfolio Programs

PacifiCorp supported various activities across the Transportation Electrification Portfolio that support the provision of benefits to residential customers. These activities included efforts to construct a grant blueprint for strategic support from federal and state funding; completing a study for the future of medium-duty and heavy-duty charging; and updating underserved community maps in reflection of stakeholder feedback.

V. Incremental Credits

PacifiCorp began claiming residential incremental CFP credits in 2022, based on 2021 information. PacifiCorp claimed incremental credits based on charging associated with EV drivers who participate in the PacifiCorp's voluntary Renewable Energy Certificate (REC)-based program, known as Blue Sky.

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 24% of its Blue Sky participants as utilizing EV charging as of year-end 2023. PacifiCorp subsequently purchased additional qualifying RECs under DEQ criteria to apply to residential charging that is not attributed to its Blue Sky programs.

Table 4: Incremental Credit Calculations

Year	MWh attributed to EV Charging	MWh Covered By Blue Sky	Additional RECS Purchased and Retired by PacifiCorp	Incremental Credits Received
2021	30,638	4,841	25,797	16,280
Front Half 2022	21,961	3,514	18,447	11,544
Back Half 2022	22,502	3,600	18,902	11,828
Front Half 2023	24,759	5,942	18,817	NA
Back Half 2023	30,479	7,315	20,695 (to date)	NA

*49,004 RECS were retired as of March 27, 2023. Of those recently retired RECs, 9,492 covered the back-half of 2022; 18,817 covered the front-half of 2023; and 20,695 was applied to the back-half 2023. PacifiCorp intends to purchase and retire an additional 2,469 RECs to fully cover the back-half of 2023.