

STAFF DRAFT PROPOSED RULE
Compliance Reports required under ORS 469A.170
March 20, 2009

Definitions for OAR 860-083-005 from SB 838:

“Banked renewable energy certificate” has the meaning given that term in ORS 469A.005(1).

“Bundled renewable energy certificate” has the meaning given that term in ORS 469A.005(3).

“Commission” means the Public Utility Commission of Oregon.

“Compliance year” has the meaning given that term in ORS 469A.005(4).

“Qualifying electricity” has the meaning given that term in ORS 469A.005(9).

“Renewable energy source” has the meaning given that term in ORS 469A.005(10).

“Retail electricity consumer” has the meaning given that term in ORS 469A.005(11).

“Unbundled renewable energy certificate” has the meaning given that term in ORS 469A.005(12).

[Additional Definitions to be added to OAR 860-083-0005]

“Average cost of compliance” for an electricity service supplier means its total cost of compliance divided by its retail sales in the service areas of electric companies subject to ORS 469A.052 for a compliance year.

“Average retail revenue” for an electric company means the annual revenue requirement for a compliance year as determined in OAR 860-083-XXX *[the rule for ORS 469A.100(2)]* divided by the forecast of retail sales used to determine the annual revenue requirement.

“Total cost of compliance” for an electric company or electricity service supplier means the cumulative cost of (i) the incremental cost of compliance for bundled renewable energy certificates used to meet the applicable renewable portfolio standard for a compliance year; (ii) the cost of unbundled renewable energy certificates used to meet the applicable renewable portfolio standard for a compliance year; and (iii) the cost of alternative compliance payments used to meet the applicable renewable portfolio standard for a compliance year.

- (1) (a) On or before June 1, 2012, and annually on or before June 1st thereafter, each electric company that is subject to a renewable portfolio standard contained in ORS 469A.052 must file a report with the commission demonstrating compliance, or explaining in detail its failure to comply, with the applicable renewable portfolio standard for the preceding compliance calendar year.
- (b) On or before June 1, 2012, and annually on or before June 1st thereafter, each electricity service supplier that is subject to a renewable portfolio standard contained in ORS 469A.065 and sells electricity to retail electricity consumers in the service territories of electric companies subject to ORS 469A.052 must file a report with the commission demonstrating compliance, or explaining in detail its failure to comply, with OAR 860-083-XXX *[section 1 of the compliance standards]* for the preceding compliance calendar year.

- (2) The report in section 1 of this rule must include the following information, related to Oregon retail electric consumers, for activities of the electric company or electricity service supplier ~~related to Oregon retail electric consumers~~ for the preceding compliance year:
- (a) The total number of megawatt-hours sold to retail electricity consumers covered by ORS 469A.052 by the electric company or sold to the retail electricity consumers of each electric company covered by ORS 469A.052 by the electricity service supplier.
 - (b) The total number renewable energy certificates acquired in the compliance year and used to meet the renewable portfolio standard, identified as either unbundled or bundled certificates.
 - (c) The total number renewable energy certificates acquired on or before March 31 of the year following the compliance year and used to meet the renewable portfolio standard, identified as either unbundled or bundled certificates.
 - (d) The total number and cost of unbundled renewable energy certificates, identified as from banked or non-banked certificates, used to meet the renewable portfolio standard, ~~identified as from banked or non-banked certificates~~.
 - (e) The total number of bundled renewable energy certificates from banked certificates that were used to meet the renewable portfolio standard.
 - (f) The total number of renewable energy certificates issued in the compliance year that were banked, identified as either bundled or unbundled certificates.
 - (g) For electric companies:
 - (A) the total number of renewable energy certificates included in the rates of Oregon retail electricity consumers that were sold since the last compliance report,
 - (B) the names of the associated generating facilities and,
 - (C) for each facility, the year or years the renewable energy certificates were issued.
 - (h) For each generating facility associated with the renewable energy certificates included in subsections 2(b), 2(c) and 2(f) 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 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.
 - (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.

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- (j) For an electric company, sufficient data, documentation and other information to demonstrate that any voluntary alternative compliance payments were a reasonable compliance method.
 - (k) Documentation of use of renewable energy certificates from the system under OAR 330-160-0020 established for compliance with a renewable portfolio standard contained in ORS 469A.052 or 469A.065.
 - (l) For each electric company, a detailed explanation of any material deviations from implementation plans filed under OAR 860-083-XXX, as acknowledged by the commission.
 - (m) As specified in OAR 860-083-XXX [*the incremental cost rule*], the incremental cost of new qualifying electricity and the incremental cost of compliance.
 - (n) For each electric company, its projected annual revenue requirement as defined in OAR 860-083-XXX [*the rule for OAR 469A.100(2)*] and its total cost of compliance.
 - (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-XXX [*section 2 of the compliance rule*], including all calculations.
 - (p) For each electric company, an accounting of the use of the renewable energy certificates and alternative cost payments consistent with OAR 860-083-XXX [*section 3 of the compliance rule*] if the cost limit in ORS 469A.100(1) is reached for the compliance year.
 - (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-XXX [*section 3 of the compliance rule*] if the cost limit in OAR 860-083-XXX [*section 2 of the compliance rule*] is reached for the compliance year.
- (3) If so prescribed by the commission, each electric company and electricity service supplier must use established forms to provide information required under subsections 2(a) through 2(q) of this rule.
- (4) Commission staff and interested persons may file written comments on an electric company or electricity service supplier report within 45 calendar days of the filing. The electric company or electricity service supplier may file a written response to any comments 30 calendar days thereafter. After considering written comments, the commission may decide to commence an investigation, begin a proceeding, or take other action as necessary to make a determination regarding compliance with the applicable renewable portfolio standard.
- (5) Upon conclusion of the commission review of the report, the commission will issue a decision determining whether the electric company or electricity service supplier complied with the applicable renewable portfolio standard and any other determinations under ORS 469A.170(2). If the commission determines that the electric company or electricity service supplier is not in compliance with the applicable renewable portfolio standards set forth in ORS 469A.052 or 469A.065 and such non-compliance is not warranted by the cost limits set forth in ORS 469A.100, the commission may require an alternative compliance payment to address such shortfall, impose a penalty, or both.

- (6) Each electric company and electricity service supplier 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 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.
- (7) Consistent with commission orders for disclosure under OAR 860-038-0300, each electric company and electricity service supplier must provide information about the 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. The information must include the URL address for the compliance reports posted under subsection 6 of this rule.