

October 5, 2022  
Via Electronic Filing

Oregon Public Utility Commission  
201 High St. SE, Suite 100  
Salem, OR 97301-3398

Re: OPUC Docket UM 2225- Comments on HB 2021 Straw Proposal on Analytical  
Improvements: treatment of RECs

We appreciate the opportunity to offer additional comments regarding Staff's Straw Proposal on Analytical Improvements. Specifically, we write to reiterate our concerns regarding Staff's proposed treatment of Renewable Energy Certificates (RECs) in the Analytical Improvements Straw Proposal.

We support Staff's recommendation for transparency in REC reporting, in addition to the existing RPS reporting the utilities already do, as reflected in the Straw Proposal in Chapter 3, Topic #2.

Additionally, as we noted in earlier comments, we understand that stakeholders have different interpretations of HB 2021's requirements that impact how the Oregon Public Utility Commission ("PUC") may choose to approach RECs. We think it would be helpful to explore those different interpretations to bring regulatory certainty to the utilities and level set for stakeholders. Contrary to statements made by some participants in these workshops, we think the language is open to interpretation and it would be helpful to understand the Commission's view.

We think that the PUC must consider how to quickly and efficiently encourage the phase-out of fossil-fueled electricity to ensure Oregon customers receive nonemitting generation *and* the related environmental benefits, as the law intended. As a result, we think the PUC should require that qualifying electricity used for compliance with HB 2021 include retirement of the associated REC. The Commission has authority to require retirement of associated RECs. A key policy statement in the law directs that "retail electricity providers rely on nonemitting electricity in accordance with the clean energy targets set forth in section 3 of the 2021 Act and eliminate greenhouse gas emissions associated with serving Oregon retail electricity consumers by 2040."<sup>1</sup> The PUC has discretion in how it implements this policy, but in order to acknowledge the IOUs' clean energy plans, the plan must be "in the public interest and consistent with the clean energy targets set forth in section 3[.]"<sup>2</sup> The "public interest" includes GHG emissions reductions "and any related environmental or health benefits," "risks to customers" from double counting clean

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<sup>1</sup> ORS 469A.405(1).

<sup>2</sup> ORS 469A.420(2).

energy, and “any other relevant factors as determined by the commission.”<sup>3</sup> Given this ample authority, and guided by the purpose and policy behind the law, the PUC should not permit electricity providers to use their delivery of zero emissions power to customers in Oregon to comply with HB 2021, while they sell RECs representing the same generation to a buyer in another state. This type of double-counting allows the REC buyers to continue using fossil-fueled electricity.

It is important that Staff think through *now* the implications of its decision to recommend only transparency around REC sales, as opposed to requiring retirement of RECs. The comments recently submitted by CRS<sup>4</sup> identify a host of potential impacts from allowing double counting of RECs and we think those impacts should be explored sooner rather than later.

Sincerely,

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Green Energy Institute at Lewis & Clark Law School

Lindsay Beebe  
Sr. Campaign Representative  
The Sierra Club

Pat DeLaquil  
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<sup>3</sup> ORS 469A.420(2)(a), (e), and (f).

<sup>4</sup> UM 2225, CRS Comments on OPUC Staff’s Straw Proposals on Analytical Improvements, Sept. 30, 2022, <https://edocs.puc.state.or.us/efdocs/HAC/um2225hac144239.pdf>