

## **Oregon Renewable Energy Standard: Progress Made and Remaining Opportunities**

The Renewable Northwest Project (RNP) initiated an analysis in 2008 to estimate progress made towards achievement of the Oregon Renewable Energy Standard (RES) benchmarks. The news is good: many of Oregon's utilities are well on their way to meeting or exceeding the first RES. For most utilities, meeting subsequent RES benchmarks will require securing additional renewable energy. Oregon utilities are estimated to have over 400 average megawatts (MWa) of renewables to-date for RES compliance. The following summarizes RNP's primary findings in greater detail.<sup>1</sup>

### **Oregon**

The Oregon RES, signed into law in 2007, applies to all utilities and electricity service suppliers (ESS) serving Oregon load, but the compliance targets vary with the size of the utility. Utilities serving 3% or more of Oregon's total retail electric sales—currently Portland General Electric, PacifiCorp, and Eugene Water and Electric Board—must meet the following targets:

- 5% by 2011
- 15% by 2015
- 20% by 2020
- 25% for 2025 and beyond.

Smaller utilities that represent at least 1.5% but less than 3% of Oregon's total retail electric sales have a target of 10% by 2025 but no interim targets. Utilities in this size category make up the remainder of RNP's Oregon RPS analysis. We did not study the smallest utilities with electric sales below 1.5% that have a 5% target for 2025.

The Oregon RES contains provisions for banking Renewable Energy Certificates (RECs). No more than 20% of any annual target may be met with unbundled RECs for the three largest utilities, but this was not factored into RNP's analysis.

All three of Oregon's largest utilities meet or exceed the 5% by 2011, with or without banking. With banking, the utilities are also on track to exceed the 2015 benchmark. By 2020, the three utilities will need to acquire additional resources. Seven of nine utilities with a 2025 target are projected to need more renewable energy resources than they have currently secured. The projected additional renewable energy needed over the next 16 years for 2025 compliance is 1,143 average megawatts (MWa).

A table summarizing our findings is on the following page.

---

<sup>1</sup> RNP gathered data about utilities' renewable energy acquisitions (existing or planned), load, and load growth forecasts, all drawn largely from public sources such as integrated resource plans, utility websites, press releases, the Energy Information Administration, and the Bonneville Power Administration. This data was used to calculate renewable energy needs for RES compliance and then compared with known acquisitions. RNP provided each utility studied with a copy of the draft results for their review and feedback. RNP updated its analysis based on utility input received. Utility involvement, however, does not represent endorsement of RNP's analysis and some utilities chose not to respond with any feedback. Further, RNP recognizes that utility plans change and evolve over time, so this analysis is a snapshot in time based on the best available data and only an estimate of what may come to pass.

## Oregon Renewable Energy Standard: Progress Made and Remaining Opportunities

<b>Oregon</b>								
<b>Utility</b>	<b>2008 Estimated Annual Load (MWa)</b>	<b>Annual Growth Rate*</b>	<b>Renewables Acquired (MWa)</b>	<b>Renewables Compliance Shortfall / (Surplus) w/ banking (MWa)</b>			<b>10% or 25% by 2025**</b>	
				<b>5% by 2011</b>	<b>15% by 2015</b>	<b>20% by 2020</b>		
EWEB	312	1.2%	18	#	#	55	95	
Central Lincoln	154	1.5%	0	n/a	n/a	n/a	20	
Clatskanie	119	1.5%	1	n/a	n/a	n/a	#	
Idaho Power	91	1.4%	42	n/a	n/a	n/a	#	
PGE	2,406	2.0%	250	#	#	353	583	
McMinnville	100	1.5%	0	n/a	n/a	n/a	13	
Springfield	93	1.5%	3	n/a	n/a	n/a	12	
Umatilla	95	1.5%	0	n/a	n/a	n/a	12	
PacifiCorp OR	1,778	0.6% thru 2016; 1.3% thereafter	117	#	#	276	407	
<b>TOTAL RENEWABLES ACQUIRED TO-DATE:</b>			<b>431 MWa</b>					
<b>ADDITIONAL RENEWABLES NEEDED FOR 2025 COMPLIANCE (w/ Banking) in MWa:</b>						<b>684</b>	<b>1,143</b>	
<i>NOTE: Renewables here encompasses any eligible resources as defined by a state's RES, which in Oregon may include biomass &amp; biomass products, electricity from hydrogen derived by an eligible resource, hydropwer, geothermal, solar, wave, tidal, ocean, &amp; wind. For utilities with only a portion of their service territory in Oregon, assumptions were made about resource allocation based on consultation with utility staff.</i>								
<i>* Annual growth rates taken from utility sources whenever possible; in all other cases, annual growth rate assumed to be 1.5% for smaller PUDs (&lt;200 MWa annual load) or 1.2% for large PUDs (&gt;200 MWa annual load) (assumed values derived from the 2007 BPA White Book, PNW Loads and Resource Study; here applies to Central Lincoln, Clatskanie, McMinnville, Springfield, &amp; Umatilla)</i>								
<i>** Large Utilities' obligation is 25% by 2025 (applies to PGE, PacifiCorp, &amp; EWEB); small utilities' obligation is 10% by 2025 (applies to Central Lincoln, Clatskanie, Idaho Power, McMinnville, Springfield, and Umatilla)</i>								
<i># This designates a projected surplus. We do not have information on the utilities' plans for projected surpluses, so a specific value is not stated for the final compliance year.</i>								

### References

- "2007 Integrated Resource Plan." PacifiCorp (05/30/07).
- "2007 Pacific Northwest Loads and Resources Study (2007 White Book)." Bonneville Power Administration (03/07).
- "2008 Integrated Resource Plan Update." Idaho Power (06/08).
- Communications with Clatskanie PUD staff (12/03/08).
- Communications with Eugene Water and Electric Board staff (12/12/08 & 01/16/09).
- Communications with Idaho Power staff (12/10/08).
- Communications with Portland General Electric staff (09/24/08, 10/22/08, & 12/12/08).
- Communications with PacifiCorp staff (10/20/08 & 11/12/08).
- Communications with Springfield Utility Board staff (11/20/08).
- "eGRID2007 Version 1.0." U.S. Environmental Protection Agency (10/16/08).
- "EIA Electric Sales, Revenue, and Average Price, Table 10: Class of Ownership, Number of Consumers, Revenue, Sales, and Average Retail Price by State and Utility: All Sectors, 2006." Energy Information Administration (11/07).
- "EWEB 2007 Facts and Figures." Eugene Water and Electric Board (2008).
- "Integrated Resource Plan 2009 – 1<sup>st</sup> Stakeholder Presentation & Discussion." Portland General Electric (06/12/08).
- "Integrated Resource Plan 2009 – Second Stakeholder Presentation & Discussion." Portland General Electric (08/21/08).
- "Power Plants in the Pacific Northwest and System Planning Assumptions table." Northwest Power and Conservation Council (10/21/08 version).
- "Renewable Resource Update – Oregon Public Utility Commission." Pacific Power (06/10/08).
- "The Fifth Northwest Electric Power and Conservation Plan." Northwest Power and Conservation Council (05/05).