

An Electric Utility CEO on Her Transformation Priorities



Conversation with Portland General Electric CEO Maria Pope,
with PUF's Steve Mitnick
(also sitting in, Guidehouse's Chris Rogers).



early half of Oregonians receive their electric service from Portland General Electric. Around three-quarters of the state’s commercial and industrial activity is within its service territory. The PGE workforce, almost three thousand strong, has big ambitions across several fronts. Not the least of which is reducing eighty percent of its carbon-dioxide emissions by the year 2030, from what they were in 2010-2012, ninety percent by 2035, and a hundred percent by 2040. Leading this charge is CEO Maria Pope and a board of directors with four former CEOs and presidents of utilities and power generation companies.

PGE is well on the way to meet those targets, through the closing of the Boardman coal-fired power plant, a recent request for proposals that has shortlisted thirteen offerings of solar, wind, battery, and pumped storage capacity, the green future impact initiative for customer-supplied solar and wind capacity, etc. Amid these efforts, Pope granted the Public Utilities Fortnightly team a few minutes of her time to talk about this transformation, not only at PGE but industry-wide. Below she answers our questions and one posed by Chris Rogers, Guidehouse’s west market leader, who sat in on the discussion.

PUF’s Steve Mitnick: How do you see the current state of the utilities industry, and Portland General Electric’s role in it?

Maria Pope: The electric industry is in the midst of rapid transformation. Climate change is creating urgency for cleaner, reliable solutions, while maintaining affordability. Extreme weather, aging infrastructure, new technologies, and digital tools are putting Portland General, and the utility industry as a whole, in a leadership position. At every level of government, and across our customer base, we’re partnering to achieve transformational goals.

Central to our strategy is working with partners across industries and leaders within our communities to leverage technologies and create new programs that offer a variety of choices to customers looking for clean, green, energy options to power their homes and businesses.

We are actively removing greenhouse-gas emissions from our system, electrifying the economy from transportation to homes and buildings, and offering products and services that put customers in control of their energy journey.

From serving the largest tech and digital companies to local municipalities, we are working toward generating and integrating a hundred percent carbon-free energy. Our customers, who are counting on us to go further and faster, are central to driving our decarbonization efforts forward.

PUF: What are you seeing as the greatest challenges in front of the industry, and PGE specifically, over, let’s say, the next three-to-five-year time horizon?

Maria Pope: The rapid transformation of our company and the utility system requires significant culture change. Our operations require an unprecedented level of integration internally and across our region, not only as we address climate change, but deal with its destructive effects of fire, extreme heat, and devastating winter snow and ice storms.

Today, we are rapidly accelerating our pace, generating, and

We will triple the amount of wind and solar energy serving customers and reduce carbon emissions by 80% by 2030 and have zero emissions by 2040. PGE’s carbon-reduction goals are aligned with the Intergovernmental Panel on Climate Change’s Sixth Assessment Report.

integrating ever-increasing amounts of wind and solar energy with battery storage, distribution field technologies, and digital tools at scale.

To successfully make this transition, we must balance competing priorities, which requires us to continuously explore and innovate – simplifying processes, implementing new technologies and digital tools, and most important, continuing to put customers at the center of all we do in order to deliver exceptional value.

Key is the integration of our own renewable generation, western energy markets and the Energy Imbalance Market, combined with regional partnerships, new storage capabilities and the unprecedented flexibility we are building into our distribution system. Balancing affordability and reliability will take technological innovation and collaboration. Although there is still much to do, we’re well on our way.

PUF: How does Portland General Electric and the industry prioritize their several strategic initiatives? How do you stack them up?

Maria Pope: At Portland General, customers are at the center of all we do. Our strategy reflects our Pacific Northwest heritage and deep connection to the environment. Our customers and

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Green hydrogen will be great, too expensive now, but will become mainstream. Maybe that's more like ten to twenty years out before it's a major part of the generation mix – but long term it will be a part of it.

Hydrogen hubs are going to be fantastic. That's one of the big items IIJA and other initiatives have underway. These next three to five years are going to be fun to see how the industry changes.

An area that is overlooked a lot these days is what type of talent utilities need to hire. The workforce of the future for utility companies and the talent they need is completely different than what it was even five years ago. It's not as much anymore the types of jobs needed to run a power plant.

The field work for transmission and distribution may be more or less the same, but the generation side of it is completely different. Now you're competing for talent that might be highly skilled computer science grads, right out of school. You're trying to recruit people from high-tech companies.

Because you're now in a plant doing work sitting behind a

The challenge isn't whether utilities can ultimately get to 100% carbon-free generation, but how do you get there, on what timeline, and ultimately how is it paid for? Now more than ever, there's a holistic compact among utilities, regulators, and customers that's required to be successful.

screen managing renewable generation sources, knowing how to look for anomalies, and maybe being able to add value for your own system. The utility worker of the future is changing dramatically. **PUF**

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community members look at PGE to lead a clean-energy future and power the advancement of society.

We are committed to decarbonizing our power supply, while maintaining reliability and affordability for all customers. In addition to those customers who want a hundred percent clean energy now, we are focused on building one of the cleanest energy portfolios in the country. We will triple the amount of wind and solar energy serving customers and reduce carbon emissions by eighty percent by 2030 and have zero emissions by 2040.

PGE's carbon-reduction goals are aligned with the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report. Our role across the broader economy is equally as important, and we will build out a smart, resilient grid, enabling clean mobility and electrifying homes and workplaces.

Operational excellence and a commonality of interests with customers, community leaders, and regulators are essential. The pandemic's lingering effects, the impact of high inflation, volatile energy markets, and a tight supply chain all create additional challenges, making the need for shared understanding and clear prioritization all the more important.

Chris Rogers: Maria, you mentioned the rapid pace of change, culture shift, and so, with that come challenging opportunities. Are you optimistic about how the industry will perform through that, over the next, say, ten-year time horizon?

Maria Pope: I'm incredibly optimistic. Our industry is one



that rises to challenges and makes a difference, both for our customers and the communities that we serve.

Transforming the electric system will not be easy, but the opportunities are immeasurable for our generation and future generations. The imperative for our collective future is clear, as we continue to work together with purpose and urgency to achieve a clean, reliable, and affordable energy future benefiting all. **PUF**