



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204
PortlandGeneral.com

February 13, 2015

Public Utility Commission of Oregon
Attn: Filing Center
3930 Fairview Industrial Drive SE
P.O. Box 1088
Salem, OR 97308-1088

**RE: Second Supplemental Filing of Advice No. 14-06, Renewable Resources
Automatic Adjustment Clause**

PGE submits this Second Supplemental Filing pursuant to Oregon Revised Statutes 756.010(8) and 757.205 and the schedule set in UE 288. PGE initially filed Advice No. 14-06 seeking to recover the deferred revenue requirements of the Tucannon River Wind Farm (Tucannon) on March 31, 2014, with a requested effective date of January 1, 2015. In its Supplemental Filing dated October 10, 2014 PGE requested and was subsequently granted a revised effective date of July 1, 2015 consistent with the Administrative Law Judge's UE 288 Memorandums dated May 8, 2014 and January 22, 2015. These memorandums held this docket in abeyance and established the procedural schedule respectively.

In addition to the electronic filing, enclosed is the original along with three courtesy copies with a requested effective date of July 1, 2015:

Enclosed are the following replacement sheets:

Tenth Revision of Sheet No. 122-1
Tenth Revision of Sheet No. 122-2

Enclosed for filing are an original and five copies of the following Testimony and Exhibits of:

- Rebecca Brown (PGE / 200-201)

PGE proposes to spread the deferred revenue requirements of approximately \$1.5 million for Tucannon inclusive of interest over the six-month period July-December 2015 consistent with the provisions of Schedule 122.

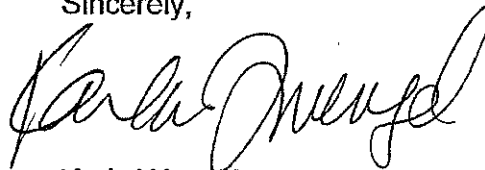
To satisfy the requirements of Oregon Administrative Rules (OAR) 860-022-0025(2) and 860-022-0030(1), PGE provides the following responses: The proposed change in Schedule 122 results in an annualized increase of \$3.0 million in charges to customers or a 0.17% increase for the approximately 850,000 applicable customers as of July 1, 2015. A Schedule 7 Residential customer consuming 840 kWh monthly will see a \$0.15 or 0.15% increase in their monthly bill.

To satisfy the requirements of ORS 757.259(6), PGE provides the following responses: PGE's 2014 annual cycle revenues were approximately \$1,729 million. The sum of PGE's current deferrals including the proposed Schedule 122 is approximately \$32.4 million or approximately 1.9% of 2014 revenues. A list of the currently amortizing deferrals is provided in the work papers. Also provided in the work papers are the development of the proposed Schedule 122 prices and detailed bill comparisons.

Please direct any questions regarding this filing to Rebecca Brown at (503) 464-8545 or Marc Cody at (503) 464-7434.

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pqn.com

Sincerely,



Karla Wenzel
Manager, Pricing and Tariffs

cc: Service List UE 283 & UE 288

**SCHEDULE 122
RENEWABLE RESOURCES AUTOMATIC ADJUSTMENT CLAUSE**

PURPOSE

This Schedule recovers the revenue requirements of qualifying Company-owned or contracted new renewable energy resource projects (including associated transmission) not otherwise included in rates. Additional new renewable projects may be incorporated into this schedule as they are placed in service. This adjustment schedule is implemented as an automatic adjustment clause as provided for under ORS 757.210 and Section 13 of the Oregon Renewable Energy Act (OREA).

AVAILABLE

In all territory served by the Company.

APPLICABLE

To all bills for Electricity Service except Schedules 76, 485, 489, 490, 491, 492, 495 and 576. This schedule is not applicable to direct access customers after December 31, 2010.

ADJUSTMENT RATE

The Adjustment Rate, applicable for service on and after the effective date of this schedule are:

<u>Schedule</u>		
7	0.018	¢ per kWh
15	0.014	¢ per kWh
32	0.017	¢ per kWh
38	0.017	¢ per kWh
47	0.021	¢ per kWh
49	0.020	¢ per kWh
75		
Secondary	0.015	¢ per kWh
Primary	0.015	¢ per kWh
Subtransmission	0.015	¢ per kWh
83	0.017	¢ per kWh
85		
Secondary	0.016	¢ per kWh
Primary	0.016	¢ per kWh

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SCHEDULE 122 (Continued)

ADJUSTMENT RATE (Continued)

<u>Schedule</u>				
89				
	Secondary	0.015	¢ per kWh	(I)
	Primary	0.015	¢ per kWh	
	Subtransmission	0.015	¢ per kWh	
90		0.015	¢ per kWh	
91		0.014	¢ per kWh	
92		0.015	¢ per kWh	
95		0.014	¢ per kWh	

ANNUAL REVENUE REQUIREMENTS

The Annual Revenue Requirements of a qualifying project will include the fixed costs of the renewable resource and associated transmission (including return on and return of the capital costs), operation and maintenance costs, income taxes, property taxes, and other fees and costs that are applicable to the renewable resource or associated transmission. Until the dispatch benefits are included in the Annual Power Cost Update Schedule 125, the net revenue requirements of each project (fixed costs less market value of the energy produced by the renewable resource plus any power costs such as fuel, integration and wheeling costs) will be deferred and incorporated the following January 1 into the Schedule 122 rates. This balancing account will accrue interest at the Commission-authorized rate for deferred accounts. Each year by April 1, the Company will file an update to the revenue requirements of resources included in this schedule to recognize projected changes for the following calendar year.

DEFERRAL MECHANISM

For each calendar year that the Company anticipates that a new renewable resource will commence operation, the Company may file a deferral request the earlier of the resource online date or April 1. The deferral amount will be for the fixed revenue requirements of the resource less net dispatch benefits. For purposes of determining dispatch benefits, the forward curves used to set rates for the year under the Annual Power Cost Update will be used. The deferral will be amortized over the next calendar year in Schedule 122 unless otherwise approved by the Oregon Public Utility Commission (OPUC). The amortization of the deferred amount will not be subject to the provisions of ORS 757.259(5).