



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

November 12, 2014

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

RE: Advice No. 14-24, Miscellaneous Regulatory Adjustment Updates and Demand Response Cost Recovery Mechanism

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rules 860-022-0025 and 860-022-0030, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18 with a requested effective date of **January 1, 2015**:

- Ninth Revision of Sheet No. 105-1
- Thirteenth Revision of Sheet No. 105-2
- Eleventh Revision of Sheet No. 105-3
- Fifth Revision of Sheet No. 135-1
- Sixth Revision of Sheet No. 135-2

Schedule 105, Regulatory Adjustments is composed of parts A and B. Part A includes the proposed amortization of miscellaneous accounts comprised of the Property Sales Balancing Account, the UE 283 stipulation regarding the economic benefits of PGE's acquisition of the Power Resources Cooperative (PRC) share of the Boardman plant, and the Independent Evaluator (IE) costs incurred during the 2011-2013 period. The table below summarizes the Part A amortization amounts including interest, and the applicable rate design.

Category	Amount	Rate Design
Property Sales	(\$6,461,737)	Equal percent of revenues with direct access customers priced at cost-of-service
PRC	\$(3,327,058)	Generation revenues
Independent Evaluator	\$521,063	Generation revenues
Total	(\$9,267,674)	

Schedule 105, Part B is a credit to applicable customers of \$537,542 related to the 2014 deferred Large Nonresidential Load True-up consistent with the provisions of Schedule 128. This amount is spread to large nonresidential customers on an equal cents per kWh basis.

Because enrollment and incurred expenses for PGE's automated demand response program are less than anticipated to date, PGE proposes to set the 2015 prices for Schedule 135 Demand Response Cost Recovery Mechanism to zero. PGE will monitor the participation and expenses in this program and may propose changes to Schedule 135 for 2016.

To satisfy the requirements of Oregon Administrative Rules 860-022-0025(2) and 860-022-0030(1), PGE provides the following responses:

The changes in the Schedule 105 and 135 prices result in an approximate \$14.5 million reduction in revenues. For the 846,000 Cost-of-Service customers as of January 1, 2015, the result is an approximate 0.8% overall average rate decrease. A typical Schedule 7 residential customer consuming 840 kWh monthly will see a bill decrease of \$0.73 inclusive of the Public Purpose Charge or 0.7%. The enclosed work papers include detailed bill comparisons.

To satisfy the requirements of ORS 757.259(6), PGE provides the following responses:

PGE's 2013 annual cycle revenues were approximately \$1,617 million. The sum of PGE's current and proposed 2015 amortization of deferrals including the proposed Schedules 105 and 135 is approximately \$20.6 million or approximately 1.3% of 2013 revenues. The amortization amount proposed in this filing is approximately (0.5%) of 2013 revenues. A list of the applicable current and proposed amortizations is provided in the work papers.

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

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

Sincerely,



Karla Wenzel
Manager, Pricing & Tariffs

Enclosures

**SCHEDULE 105
REGULATORY ADJUSTMENTS**

PURPOSE

The purpose of this schedule is to reflect the effects of regulatory adjustments such as net gains from nonrecurring property transactions, and costs associated with the implementation of SB 1149, and miscellaneous nonrecurring items.

APPLICABLE

To all bills for Electricity Service calculated under all schedules and contracts, except those Customers explicitly exempted.

PART A – MISCELLANEOUS ADJUSTMENTS

Part A will be adjusted annually as necessary to recover nonrecurring Regulatory Adjustments.

PART B – LARGE NON-RESIDENTIAL LOAD TRUE-UP

Part B consists of costs associated with the Schedule 128 Large Nonresidential Load Shift True-up after the November annual open enrollment window.

ADJUSTMENT RATES

The Adjustment Rates, applicable for service on and after the effective date of this schedule, will be:

<u>Schedule</u>	<u>Part A</u>	<u>Part B</u>	<u>Adjustment Rate</u>
7	(0.058)	0.000	(0.058) ¢ per kWh
15	(0.094)	0.000	(0.094) ¢ per kWh
32	(0.054)	0.000	(0.054) ¢ per kWh
38	(0.061)	(0.005)	(0.066) ¢ per kWh
47	(0.075)	0.000	(0.075) ¢ per kWh
49	(0.058)	(0.005)	(0.063) ¢ per kWh
75			
Secondary	(0.037)	(0.005)	(0.042) ¢ per kWh ⁽¹⁾
Primary	(0.037)	(0.005)	(0.042) ¢ per kWh ⁽¹⁾
Subtransmission	(0.037)	(0.005)	(0.042) ¢ per kWh ⁽¹⁾

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(R)

(1) Applicable only to the Baseline and Scheduled Maintenance Energy.

SCHEDULE 105 (Continued)

ADJUSTMENT RATES (Continued)

	<u>Schedule</u>	<u>Part A</u>	<u>Part B</u>	<u>Adjustment Rate</u>	
76R					
	Secondary	0.000	0.000	0.000	¢ per kWh
	Primary	0.000	0.000	0.000	¢ per kWh
	Subtransmission	0.000	0.000	0.000	¢ per kWh
83		(0.047)	(0.005)	(0.052)	¢ per kWh
85					
	Secondary	(0.042)	(0.005)	(0.047)	¢ per kWh
	Primary	(0.042)	(0.005)	(0.047)	¢ per kWh
89					
	Secondary	(0.037)	(0.005)	(0.042)	¢ per kWh
	Primary	(0.037)	(0.005)	(0.042)	¢ per kWh
	Subtransmission	(0.037)	(0.005)	(0.042)	¢ per kWh
90		(0.035)	(0.005)	(0.040)	¢ per kWh
91		(0.085)	(0.005)	(0.090)	¢ per kWh
92		(0.041)	(0.005)	(0.046)	¢ per kWh
95		(0.085)	(0.005)	(0.090)	¢ per kWh
485					
	Secondary	(0.027)	(0.005)	(0.032)	¢ per kWh
	Primary	(0.027)	(0.005)	(0.032)	¢ per kWh
489					
	Secondary	(0.023)	(0.005)	(0.028)	¢ per kWh
	Primary	(0.023)	(0.005)	(0.028)	¢ per kWh
	Subtransmission	(0.023)	(0.005)	(0.028)	¢ per kWh
490		(0.021)	(0.005)	(0.026)	¢ per kWh
491		(0.071)	(0.005)	(0.076)	¢ per kWh
492		(0.027)	(0.005)	(0.032)	¢ per kWh
495		(0.071)	(0.005)	(0.076)	¢ per kWh

SCHEDULE 105 (Concluded)

ADJUSTMENT RATES (Continued)

<u>Schedule</u>	<u>Part A</u>	<u>Part B</u>	<u>Adjustment Rate</u>
515	(0.094)	0.00	(0.094) ¢ per kWh
532	(0.054)	0.00	(0.054) ¢ per kWh
538	(0.061)	(0.005)	(0.066) ¢ per kWh
549	(0.058)	(0.005)	(0.063) ¢ per kWh
575			
Secondary	(0.037)	(0.005)	(0.042) ¢ per kWh ⁽¹⁾
Primary	(0.037)	(0.005)	(0.042) ¢ per kWh ⁽¹⁾
Subtransmission	(0.037)	(0.005)	(0.042) ¢ per kWh ⁽¹⁾
576R			
Secondary	0.000	0.000	0.000 ¢ per kWh
Primary	0.000	0.000	0.000 ¢ per kWh
Subtransmission	0.000	0.000	0.000 ¢ per kWh
583	(0.047)	(0.005)	(0.052) ¢ per kWh
585			
Secondary	(0.042)	(0.005)	(0.047) ¢ per kWh
Primary	(0.042)	(0.005)	(0.047) ¢ per kWh
589			
Secondary	(0.037)	(0.005)	(0.042) ¢ per kWh
Primary	(0.037)	(0.005)	(0.042) ¢ per kWh
Subtransmission	(0.037)	(0.005)	(0.042) ¢ per kWh
590	(0.035)	(0.005)	(0.040) ¢ per kWh
591	(0.085)	(0.005)	(0.090) ¢ per kWh
592	(0.041)	(0.005)	(0.046) ¢ per kWh
595	(0.085)	(0.005)	(0.090) ¢ per kWh

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(R)

(1) Applicable only to the Baseline and Scheduled Maintenance Energy.

**SCHEDULE 135
DEMAND RESPONSE COST RECOVERY MECHANISM**

PURPOSE

This Schedule recovers the expenses associated with automated demand response not otherwise included in rates. This adjustment schedule is implemented as an automatic adjustment clause as provided for under ORS 757.210. This schedule also provides eligibility criteria for participation.

AVAILABLE

In all territory served by the Company.

APPLICABLE

To all bills for Electricity Service served under the following rate schedules 7, 15, 32, 38, 47, 49, 75, 83, 85, 89, 90, 91, 92 and 95. Customers served under the daily price option contained in Schedules 32, 38, 75, 81, 83, 85, 89, 90, 91 and 95 are exempt from this schedule.

ADJUSTMENT RATE

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

<u>Schedule</u>	<u>Adjustment Rate</u>	
7	0.000	¢ per kWh
15	0.000	¢ per kWh
32	0.000	¢ per kWh
38	0.000	¢ per kWh
47	0.000	¢ per kWh
49	0.000	¢ per kWh
75		
Secondary	0.000	¢ per kWh ⁽¹⁾
Primary	0.000	¢ per kWh ⁽¹⁾
Subtransmission	0.000	¢ per kWh ⁽¹⁾
83	0.000	¢ per kWh
85		
Secondary	0.000	¢ per kWh
Primary	0.000	¢ per kWh

(R)
|
(R)

(1) Applicable only to the Baseline and Scheduled Maintenance Energy.

SCHEDULE 135 (Continued)

ADJUSTMENT RATE (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>		
89			
Secondary	0.000	¢ per kWh	(R) (R)
Primary	0.000	¢ per kWh	
Subtransmission	0.000	¢ per kWh	
90	0.000	¢ per kWh	
91	0.000	¢ per kWh	
92	0.000	¢ per kWh	
95	0.000	¢ per kWh	

BALANCING ACCOUNT

The Company will maintain a balancing account to accrue differences between the incremental costs associated with automated demand response and the revenues collected under this schedule. This balancing account will accrue interest at the Commission-authorized rate for deferred accounts.

DEFERRAL MECHANISM

Each year the Company may file a deferral request to defer the incremental costs associated with the implementation and administration of this pilot. The rate on this schedule recovers only the incremental costs for implementation and administration of this pilot. The contract price to the Customer is determined between PGE's third-party provider and the customer. The deferral will be amortized over one year in this schedule unless otherwise approved by the Oregon Public Utility Commission.

SPECIAL CONDITION

1. Costs recovered through this schedule will be allocated to each schedule using the applicable schedule's forecasted energy on the basis of an equal percent of generation revenue applied on a cents per kWh basis to each applicable rate schedule.