

ITEM NO. CA4

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 24, 2015

REGULAR _____ CONSENT X EFFECTIVE DATE April 1, 2015

DATE: March 10, 2015

TO: Public Utility Commission

FROM: George R. Compton *GRC*

THROUGH: *J* Jason Eisdorfer and *MH* Marc Hellman

SUBJECT: PORTLAND GENERAL ELECTRIC: (Advice No. 15-04) Schedule 128 Short Term Transition Adjustment Update April 2015 Quarterly Election Window.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Portland General Electric Company's (PGE's or Company's) balance of year short-term transition adjustment rates for the nine-month period beginning April 1, 2015, and ending December 31, 2015.

DISCUSSION:

On February 17, 2015, PGE filed Advice No. 15-04, requesting establishment of nine month balance-of-year short-term transition adjustment rates under Schedule 128. Schedule 128 allows eligible customers on a cost-of-service rate to move to direct access service, or an applicable non-cost-of-service rate, for the balance of the calendar year during quarterly election windows. The filing is in compliance with Order No. 06-528 establishing the quarterly option window.

The nine-month balance-of-year short-term transition adjustment rates are based on the same methodology used to establish the 12-month short-term transition adjustment rates that the Company filed in PGE Advice No. 14-25, with an effective date of January 1, 2015. The transition adjustment rates reflect the difference between tariff energy charges under the cost of service option, including Schedule 125, and the projected market price of power applied to the load shape of each applicable schedule. Advice No. 14-25 was reviewed by the Commission at a public meeting

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December 19, 2014, and allowed to take effect. Staff has reviewed the rate calculations and recommends that the Commission approve the new rates and permit the revised schedule to go into effect on April 1, 2015.

Effect on Ratepayers

Since this tariff will be paid only by direct access customers choosing to leave cost-of-service during the option window, it is unknown how many customers will make this election and thus the revenue change is unknown. Only those customers choosing direct access will be affected by changes to this tariff. That is because the transition charge is designed to allow PGE to recover from direct access customers the margin between PGE's price and its short-run cost.

PROPOSED COMMISSION MOTION:

PGE's nine-month balance of year short-term transition adjustment rates under Schedule 128 be approved, effective April 1, 2015.