



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

October 29, 2015

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: Advice No. 15-25, Schedule 123 Decoupling Adjustment

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210 and Oregon Administrative Rules (OARs) 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, 2016**:

Tenth Revision of Sheet No. 123-3
Tenth Revision of Sheet No. 123-4
Ninth Revision of Sheet No. 123-5

The purpose of this filing is to implement in rates the 2014 results of the Sales Normalization Adjustment (SNA) portion of the Schedule 123 Decoupling Adjustment and the Nonresidential Lost Revenue Recovery Adjustment (LRRRA). The proposed 2016 amortization of the sum of the Schedule 7 and 32 SNA, and the LRRRA is a refund to applicable customers of approximately \$5.8 million. The distribution of this \$5.8 million is as follows: Schedule 7, a refund of \$4.0 million, Schedule 32, a refund of \$1.3 million, and other applicable schedules a refund of approximately \$0.5 million.

The LRRRA prices are based on the 2014 achieved energy efficiency attributable to Schedule 109 and the 2014 percentage applicable to commercial customers. Consistent with OPUC Order 13-459, the LRRRA prices are calculated to apply to only distribution services for those customers who have chosen long-term direct access. In addition, the proposed LRRRA includes the difference in energy savings associated with the conversion to LED streetlighting during 2014 and the energy savings presumed with LED conversions in UE 262.

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

PGE estimates that approximately 856,000 customers during 2016 will be impacted by this overall \$11.5 million or 0.6% decrease in revenues from current Schedule 123 prices. A typical Schedule 7 residential customer consuming 840 kWh monthly will see a \$0.75 decrease in their bill because of the proposed decrease to current Schedule 123 prices.

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 and 2016 proposed amortization of deferrals including the proposed Schedule 123 is approximately zero for 2016. The amortization amount proposed in this filing is approximately (0.3%) of 2014 revenues. A list of the current and proposed amortizations applicable for 2016 is provided in the work papers.

Work papers detailing the calculation of the proposed prices, and balances for the SNA and LRRRA accounts are enclosed. Also enclosed as Attachment A are detailed bill comparisons.

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@pge.com

Sincerely,



Karla Wenzel
Manager, Pricing and Tariffs

Enclosure(s)

SCHEDULE 123 (Continued)

SNA and LRRR BALANCING ACCOUNTS

The Company will maintain a separate balancing account for the SNA, applicable to Schedules 7, 32 and 532, and for the Nonresidential LRRR for the remaining applicable nonresidential Schedules. Each balancing account will record over- and under-collections resulting from differences as determined, respectively, by the SNA and LRRR mechanisms. The accounts will accrue interest at the Commission-authorized Modified Blended Treasury Rate established for deferred accounts.

DECOUPLING ADJUSTMENT

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

<u>Schedule</u>	<u>Adjustment Rate</u>	(R)
7	(0.052) ¢ per kWh	
15	(0.009) ¢ per kWh	
32	(0.083) ¢ per kWh	
38	(0.009) ¢ per kWh	
47	(0.009) ¢ per kWh	
49	(0.009) ¢ per kWh	
75		
Secondary	(0.009) ¢ per kWh	
Primary	(0.009) ¢ per kWh	
Subtransmission	(0.009) ¢ per kWh	
83	(0.009) ¢ per kWh	
85		
Secondary	(0.009) ¢ per kWh	
Primary	(0.009) ¢ per kWh	
89		
Secondary	(0.009) ¢ per kWh	
Primary	(0.009) ¢ per kWh	
Subtransmission	(0.009) ¢ per kWh	(R)

SCHEDULE 123 (Continued)

DECOUPLING ADJUSTMENT (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>	(R)
90	(0.009) ¢ per kWh	
91	(0.009) ¢ per kWh	
92	(0.009) ¢ per kWh	
95	(0.009) ¢ per kWh	
485		
Secondary	(0.002) ¢ per kWh	
Primary	(0.002) ¢ per kWh	
489		
Secondary	(0.002) ¢ per kWh	
Primary	(0.002) ¢ per kWh	
Subtransmission	(0.002) ¢ per kWh	
490	(0.002) ¢ per kWh	
491	(0.002) ¢ per kWh	
492	(0.002) ¢ per kWh	
495	(0.002) ¢ per kWh	
515	(0.009) ¢ per kWh	
532	(0.083) ¢ per kWh	
538	(0.009) ¢ per kWh	
549	(0.009) ¢ per kWh	
575		
Secondary	(0.009) ¢ per kWh	
Primary	(0.009) ¢ per kWh	
Subtransmission	(0.009) ¢ per kWh	
583	(0.009) ¢ per kWh	(R)

SCHEDULE 123 (Continued)

DECOUPLING ADJUSTMENT (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>	
585		
Secondary	(0.009) ¢ per kWh	(R)
Primary	(0.009) ¢ per kWh	
589		
Secondary	(0.009) ¢ per kWh	(R)
Primary	(0.009) ¢ per kWh	
Subtransmission	(0.009) ¢ per kWh	
590	(0.009) ¢ per kWh	
591	(0.009) ¢ per kWh	
592	(0.009) ¢ per kWh	
595	(0.009) ¢ per kWh	

TIME AND MANNER OF FILING

Commencing in 2014, the Company will submit to the Commission the following information by November 1 of each year:

1. The proposed price changes to this Schedule to be effective on January 1st of the subsequent year based on a) the amounts in the SNA Balancing Accounts and b) the amount in the LRRR Balancing Account.
2. Revisions to this Schedule which reflect the new proposed prices and supporting work papers detailing the calculation of the new proposed prices and the SNA weather-normalizing adjustments.