



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

June 29, 2018

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

RE: Advice No. 18-08, 2018 Multi Year Opt-Out Window, Enrollment Period Q

Portland General Electric Company (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 **September 1, 2018**:

Eleventh Revision of Sheet No. 129-4
Eleventh Revision of Sheet No. 129-5
Fourth Revision of Sheet No. 129-6
Original Sheet No. 129-7

The purpose of this filing is to offer qualifying large nonresidential customers a three or five year cost of service opt-out beginning January 1, 2019 through an enrollment period during September 2018 (Enrollment Period Q).

The cost of service opt-out implements the requirements of OAR 860-038-0275(5) to "offer customers a multi-year, direct access program with an associated fixed transition adjustment." The Schedule 129 prices for Enrollment Period Q are indicative only and will be revised in late August 2018 to be posted on the Company's public website and filed with the Commission on August 31, 2018 to reflect updated power costs using the methodology presented in this filing. Customers who choose Schedules 485, 489, 490, 491, 492 or 495 for service in 2019 will be subject to the applicable Schedule 129, Transition Cost Adjustments. Customers served on the five-year term of service will have differing Schedule 129 transition adjustments from those customers served on the three-year term of service.

This is consistent with the provisions of the UE 262 Second Partial Stipulation that specified that for the five-year term, the initial Schedule 129 transition adjustments will reflect current Commission-approved fixed generation costs. These fixed generation costs will then be subject to update during the five-year term consistent with Commission orders related to general rate cases or Renewable Resource Automatic Adjustment Clause proceedings.

The UE 262 Second Partial Stipulation also specified that for the three-year term, the Schedule 129 transition adjustments will incorporate the revenue requirements of both existing and new resources, if any, expected to begin providing service to customers during the three-year period. Because PGE does not have sufficient specific information regarding potential new resources, none are included in developing the three-year transition adjustments.

The Schedule 129 transition adjustments are differentiated by schedule and delivery voltage in a manner consistent with the provisions of the UE 262 Second Partial Stipulation approved in OPUC Order 13-459. Development of these indicative Schedule 129 adjustment rates are provided in the attached work papers. The final posted adjustment rates will be developed in the same manner but updated for load forecast changes, power costs and forward market prices.

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

OARs 860-022-0025 and 860-0022-0030 require that PGE submit a statement of the tariff schedule change, the number of customers affected, the change in revenue, and the grounds supporting the change. This filing proposes new prices to a limited number of eligible customers, all of whom may choose not to participate, therefore, it is unknown how many customers will make this election and the revenue change is unknown.

Please direct any questions regarding this filing to Colin Wright at (503) 464-8011.

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

Sincerely,



Karla Wenzel
Manager, Pricing and Tariffs

Enclosure(s)

SCHEDULE 129 (Continued)

TRANSITION COST ADJUSTMENT (Continued)
Minimum Five Year Opt-Out

For Enrollment Period Q (2018), the current Transition Cost Adjustments are:

Period	Sch. 485 Sec. Vol. ¢ per kWh	Sch. 485 Pri. Vol. ¢ per kWh	Sch. 489 Sec. Vol. ¢ per kWh	Sch. 489 Pri. Vol. ¢ per kWh	Sch. 489 Sub. Vol. ¢ per kWh	Sch. 490 Pri. Vol. ¢ per kWh	Schs. 491/492/495 ¢ per kWh
2019	3.288	3.249	2.911	2.856	2.790	2.807	2.775
2020	3.288	3.249	2.911	2.856	2.790	2.807	2.775
2021	3.288	3.249	2.911	2.856	2.790	2.807	2.775
2022	3.288	3.249	2.911	2.856	2.790	2.807	2.775
2023	3.288	3.249	2.911	2.856	2.790	2.807	2.775
After 2023	0.000	0.000	0.000	0.000	0.000	0.000	0.000

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SCHEDULE 129 (Continued)

TRANSITION COST ADJUSTMENT (Continued)
Three Year Opt-Out

This option was not available during Enrollment Periods A and B

For Enrollment Periods C - L, No Longer Available

For Enrollment Period M (2014), the Transition Cost Adjustment will be:

Period	Sch. 485 Sec. Vol. ¢ per kWh	Sch. 485 Pri. Vol. ¢ per kWh	Sch. 489 Sec. Vol. ¢ per kWh	Sch. 489 Pri. Vol. ¢ per kWh	Sch. 489 Sub. Vol. ¢ per kWh	Sch. 490 Pri. Vol. ¢ per kWh	Schs. 491/492/495 ¢ per kWh
2015	2.199	2.131	1.900	1.864	1.826	1.714	1.739
2016	2.199	2.131	1.900	1.864	1.826	1.714	1.739
2017	2.199	2.131	1.900	1.864	1.826	1.714	1.739

For Enrollment Period N (2015), the Transition Cost Adjustment will be:

Period	Sch. 485 Sec. Vol. ¢ per kWh	Sch. 485 Pri. Vol. ¢ per kWh	Sch. 489 Sec. Vol. ¢ per kWh	Sch. 489 Pri. Vol. ¢ per kWh	Sch. 489 Sub. Vol. ¢ per kWh	Sch. 490 Pri. Vol. ¢ per kWh	Schs. 491/492/495 ¢ per kWh
2016	2.901	2.819	2.714	2.662	2.666	2.323	2.468
2017	2.901	2.819	2.714	2.662	2.666	2.323	2.468
2018	2.901	2.819	2.714	2.662	2.666	2.323	2.468

For Enrollment Period O (2016), the Transition Cost Adjustment will be:

Period	Sch. 485 Sec. Vol. ¢ per kWh	Sch. 485 Pri. Vol. ¢ per kWh	Sch. 489 Sec. Vol. ¢ per kWh	Sch. 489 Pri. Vol. ¢ per kWh	Sch. 489 Sub. Vol. ¢ per kWh	Sch. 490 Pri. Vol. ¢ per kWh	Schs. 491/492/495 ¢ per kWh
2017	2.978	2.888	2.804	2.750	2.776	2.407	2.567
2018	2.978	2.888	2.804	2.750	2.776	2.407	2.567
2019	2.978	2.888	2.804	2.750	2.776	2.407	2.567

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SCHEDULE 129 (Continued)

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TRANSITION COST ADJUSTMENT (Continued)
Three Year Opt-Out

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For Enrollment Period P (2017), the Transition Cost Adjustment will be:

Period	Sch. 485 Sec. Vol. ¢ per kWh	Sch. 485 Pri. Vol. ¢ per kWh	Sch. 489 Sec. Vol. ¢ per kWh	Sch. 489 Pri. Vol. ¢ per kWh	Sch. 489 Sub. Vol. ¢ per kWh	Sch. 490 Pri. Vol. ¢ per kWh	Schs. 491/492/495 ¢ per kWh
2018	3.277	3.193	2.941	2.886	2.907	2.688	2.797
2019	3.277	3.193	2.941	2.886	2.907	2.688	2.797
2020	3.277	3.193	2.941	2.886	2.907	2.688	2.797

For Enrollment Period Q (2018), the Transition Cost Adjustment will be:

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Period	Sch. 485 Sec. Vol. ¢ per kWh	Sch. 485 Pri. Vol. ¢ per kWh	Sch. 489 Sec. Vol. ¢ per kWh	Sch. 489 Pri. Vol. ¢ per kWh	Sch. 489 Sub. Vol. ¢ per kWh	Sch. 490 Pri. Vol. ¢ per kWh	Schs. 491/492/495 ¢ per kWh
2019	3.274	3.193	2.957	2.903	2.916	2.722	2.808
2020	3.274	3.193	2.957	2.903	2.916	2.722	2.808
2021	3.274	3.193	2.957	2.903	2.916	2.722	2.808

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SPECIAL CONDITIONS

1. Annually, the total amount paid in Schedule 129 Long-Term Transition Cost Adjustments associated with Enrollment Periods A through K will be collected through applicable Large Nonresidential rate schedules (Schedules 75, 85, 89, 90, 485, 489, 490, 575, 585, 589 and 590), through either the System Usage or Distribution Charges. Commencing with Enrollment Period L, the Schedule 129 amounts paid or received will be collected from all rate schedules, through either System Usage Charges or Distribution Charges. Such adjustment to the System Usage or Distribution Charges will be made at the time the Company files final rates for Schedule 125, and will be effective on January 1st of the following calendar year.

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SCHEDULE 129 (Concluded)

SPECIAL CONDITIONS (Continued)

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2. Annually, changes in fixed generation revenues resulting from either return to or departure from Cost of Service pricing by Schedules 485, 489, 490, 491, 492, and 495 customers relative to the Company's most recent general rate case will be incorporated into the System Usage Charges or Distribution Charges of all rate schedules. Such adjustment to the System Usage or Distribution Charges will be made at the time the Company files final rates for Schedule 125, and will be effective on January 1st of the following calendar year. The adjustment to the System Usage or Distribution Charges resulting from changes in fixed generation revenues shall not result in an overall rate increase or decrease of more than 2 percent except as noted below. For those Enrollment Periods in which the first-year Schedule 129 Transition Adjustments are expected to be positive charges to participants, the projected first-year revenues from Schedule 129 will be netted against the changes in fixed generation costs for purposes of calculating the proposed overall rate increase or decrease. Should the rate increase or decrease exceed 2 percent, the amounts exceeding 2 percent will be deferred for future recovery through a balancing account. This balancing account will be considered an "Automatic Adjustment Clause" as defined in ORS 757.210. For purposes of calculating the percent change in rates, Schedule 125 prices with and without the increased/decreased participating load will be determined.
3. In determining changes in fixed generation revenues from movement to or from Schedules 485, 489, 490, 491, 492, and 495, the following factors will be used:

Schedule		¢ per kWh
85	Secondary	3.906
	Primary	3.837
89	Secondary	3.643
	Primary	3.575
	Subtransmission	3.527
90		3.536
91		3.440
92		3.440
95		3.440

TERM

The term of applicability under this schedule will correspond to a Customer's term of service under Schedules 485, 489, 490, 491, 492 or 495.

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