



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

June 30, 2016

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

**RE: Advice No. 16-10, 2016 Multi Year Opt-Out Window, Enrollment Period O**

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 **September 1, 2016**:

Seventh Revision of Sheet No. 129-1  
Twenty Third Revision of Sheet No. 129-3  
Sixth Revision of Sheet No. 129-5  
Original Sheet No. 129-6  
Sixth Revision of Sheet No. 485-1  
Sixth Revision of Sheet No. 485-2  
Eleventh Revision of Sheet No. 489-1  
Thirteenth Revision of Sheet No. 489-2  
Third Revision of Sheet No. 490-1

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, 2017 through an enrollment period during September 2016 (Enrollment Period O).

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 O are indicative only and will be revised in late August 2016 to be posted on the Company's public website and filed with the Commission on August 31, 2016 to reflect updated power costs using the methodology presented in this filing. In addition, the prospective tariff energy prices and associated fixed generation costs for Schedules 85, 89, 90, 91, 92, and 95 may need to be updated if the Carty Generating Station (Carty) does not commence commercial operation by July 31, 2016, consistent with the UE 294 First Partial Stipulation.

Finally, because of the passage of Senate Bill 1547, prospective Production Tax Credits (PTCs) are reflected in the projected power costs, and the UE 294 fixed generation costs have been appropriately restated to reflect this change in legislation.

### **Schedule 129: Three Year and Five Year Options**

Customers who choose Schedules 485, 489, 490, 491, 492 or 495 for service in 2017 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 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 Marc Cody at (503) 464-7434.

Please direct all formal correspondence and requests to the following email address  
[pge.opuc.filings@pqn.com](mailto:pge.opuc.filings@pqn.com)

Sincerely,

A handwritten signature in black ink, appearing to read "Karla Wenzel". The signature is written in a cursive style with a large, looping initial "K".

Karla Wenzel  
Manager, Pricing and Tariffs

Enclosure(s)

**SCHEDULE 129  
LONG-TERM TRANSITION COST ADJUSTMENT**

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

Applicable to Large Nonresidential Customers that have selected service under Schedules 485, 489, 490, 491, 492, and 495.

**TRANSITION COST ADJUSTMENT**

Minimum Five Year Opt-Out

For Enrollment Periods A - I: 0.000 ¢ per kWh

(C)

For Enrollment Period J (2011), the Transition Cost Adjustment will be:

(D)

2.182 ¢ per kWh	January 1, 2012 through December 31, 2012
1.492 ¢ per kWh	January 1, 2013 through December 31, 2013
1.022 ¢ per kWh	January 1, 2014 through December 31, 2014
0.749 ¢ per kWh	January 1, 2015 through December 31, 2015
0.601 ¢ per kWh	January 1, 2016 through December 31, 2016
0.000 ¢ per kWh	after December 31, 2016

For Enrollment Period K (2012), the Transition Cost Adjustment will be:

Period	Sch. 485 Secondary Voltage ¢ per kWh	Sch. 485 Primary Voltage ¢ per kWh	Sch. 489 Secondary Voltage ¢ per kWh	Sch. 489 Primary Voltage ¢ per kWh	Sch. 489 Subtransmission Voltage ¢ per kWh
2013	2.244	2.168	2.085	2.030	2.019
2014	1.548	1.495	1.395	1.369	1.370
2015	1.273	1.229	1.120	1.106	1.113
2016	1.055	1.018	0.901	0.897	0.909
2017	0.745	0.718	0.591	0.602	0.619
After 2017	0.000	0.000	0.000	0.000	0.000

**SCHEDULE 129 (Continued)**

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

Commencing with enrollment Period M, the Schedule 129 Transition Cost Adjustment will be updated to reflect OPUC-approved changes in fixed generation costs during the five-year period.

For Enrollment Period N (2015), 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
2016	2.411	2.389	2.256	2.216	2.157	1.891	2.044
2017	2.411	2.389	2.256	2.216	2.157	1.891	2.044
2018	2.411	2.389	2.256	2.216	2.157	1.891	2.044
2019	2.411	2.389	2.256	2.216	2.157	1.891	2.044
2020	2.411	2.389	2.256	2.216	2.157	1.891	2.044
After 2020	0.000	0.000	0.000	0.000	0.000	0.000	0.000

For Enrollment Period O (2016), 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
2017	3.104	3.051	2.941	2.889	2.825	2.515	2.676
2018	3.104	3.051	2.941	2.889	2.825	2.515	2.676
2019	3.104	3.051	2.941	2.889	2.825	2.515	2.676
2020	3.104	3.051	2.941	2.889	2.825	2.515	2.676
2021	3.104	3.051	2.941	2.889	2.825	2.515	2.676
After 2021	0.000	0.000	0.000	0.000	0.000	0.000	0.000

(N)  
|  
(N)

**SCHEDULE 129 (Continued)**

TRANSITION COST ADJUSTMENT (Continued)  
Three Year Opt-Out

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	3.046	2.953	2.867	2.813	2.840	2.466	2.621
2018	3.046	2.953	2.867	2.813	2.840	2.466	2.621
2019	3.046	2.953	2.867	2.813	2.840	2.466	2.621

**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 1<sup>st</sup> of the following calendar year.
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 1<sup>st</sup> 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.

(T)  
(N)  
(N)

(M)

**SCHEDULE 129 (Concluded)**

SPECIAL CONDITIONS (Continued)

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	2.916
	Primary	2.864
89	Secondary	2.747
	Primary	2.696
	Subtransmission	2.660
90		2.687
91		2.641
92		2.641
95		2.641

**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.

(M)

(M)

**SCHEDULE 485  
LARGE NONRESIDENTIAL  
COST OF SERVICE OPT-OUT  
(201 - 4,000 kW)**

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

To each Large Nonresidential Customer whose Demand has exceeded 200 kW more than six times in the preceding 13 months but has not exceeded 4,000 kW more than once in the preceding 13 months, or with seven months or less of service has not had a Demand exceeding 4,000 kW and who has chosen the Company's transition plan during one of the enrollment periods specified below. To obtain service under this schedule, Customers must enroll a minimum of 1 MWa determined by a demonstrated usage pattern such that projected usage for a full 12 months is at least 8,760,000 kWh (1 MWa) from one or more Points of Delivery (POD). Each POD must have a Facility Capacity of at least 250 kW. Service under this schedule is limited to the first 300 MWa that applies to Schedules 485, 489, 490, 491, 492, and 495. Beginning with the September 2004 Enrollment Period C, Customers have a minimum five-year option and a fixed three-year option.

**ENROLLMENT PERIODS**

<u>ENROLLMENT PERIODS</u>	<u>MINIMUM FIVE-YEAR OPTION</u>
Enrollment Period A:	January 1, 2003 through December 31, 2007
Enrollment Period B:	January 1, 2004 through December 31, 2008
Enrollment Period C:	January 1, 2005 through December 31, 2009
Enrollment Period D:	January 1, 2006 through December 31, 2010
Enrollment Period E:	January 1, 2007 through December 31, 2011
Enrollment Period F:	January 1, 2008 through December 31, 2012
Enrollment Period G:	January 1, 2009 through December 31, 2013
Enrollment Period H:	January 1, 2010 through December 31, 2014
Enrollment Period I:	January 1, 2011 through December 31, 2015
Enrollment Period J:	January 1, 2012 through December 31, 2016
Enrollment Period K:	January 1, 2013 through December 31, 2017
Enrollment Period L:	January 1, 2014 through December 31, 2018
Enrollment Period M:	January 1, 2015 through December 31, 2019
Enrollment Period N:	January 1, 2016 through December 31, 2020
Enrollment Period O:	January 1, 2017 through December 31, 2021

(N)



**SCHEDULE 485 (Continued)**

ENROLLMENT PERIODS (Continued)

<u>ENROLLMENT PERIODS</u>	<u>FIXED THREE-YEAR OPTION</u>
Enrollment Periods A and B:	This option was not available.
Enrollment Period C:	January 1, 2005 through December 31, 2007
Enrollment Period D:	January 1, 2006 through December 31, 2008
Enrollment Period E:	January 1, 2007 through December 31, 2009
Enrollment Period F:	January 1, 2008 through December 31, 2010
Enrollment Period G:	January 1, 2009 through December 31, 2011
Enrollment Period H:	January 1, 2010 through December 31, 2012
Enrollment Period I:	January 1, 2011 through December 31, 2013
Enrollment Period J:	January 1, 2012 through December 31, 2014
Enrollment Period K:	January 1, 2013 through December 31, 2015
Enrollment Period L:	January 1, 2014 through December 31, 2016
Enrollment Period M:	January 1, 2015 through December 31, 2017
Enrollment Period N:	January 1, 2016 through December 31, 2018
Enrollment Period O:	January 1, 2017 through December 31, 2019

(N)

**SCHEDULE 489  
LARGE NONRESIDENTIAL  
COST-OF-SERVICE OPT-OUT  
(>4,000 kW)**

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

To each Large Nonresidential Customer whose Demand has exceeded 4,000 kW more than once within the preceding 13 months and who has chosen the Company's transition plan during one of the enrollment periods specified below. To obtain service under this schedule, Customers must enroll a minimum of 1 MWa determined by a demonstrated usage pattern such that projected usage for a full 12 months is at least 8,760,000 kWh (1 MWa) from one or more Points of Delivery (POD). Each POD must have a Facility Capacity of at least 250 kW. Service under this schedule is limited to the first 300 MWa that applies to Schedules 485, 489, 490, 491, 492, and 495. Beginning with the September 2004 Enrollment Period C, Customers have a minimum five-year option and a fixed three-year option.

**ENROLLMENT PERIODS**

<u>ENROLLMENT PERIODS</u>	<u>MINIMUM FIVE-YEAR OPTION</u>
Enrollment Period A:	January 1, 2003 through December 31, 2007
Enrollment Period B:	January 1, 2004 through December 31, 2008
Enrollment Period C:	January 1, 2005 through December 31, 2009
Enrollment Period D:	January 1, 2006 through December 31, 2010
Enrollment Period E:	January 1, 2007 through December 31, 2011
Enrollment Period F:	January 1, 2008 through December 31, 2012
Enrollment Period G:	January 1, 2009 through December 31, 2013
Enrollment Period H:	January 1, 2010 through December 31, 2014
Enrollment Period I:	January 1, 2011 through December 31, 2015
Enrollment Period J:	January 1, 2012 through December 31, 2016
Enrollment Period K:	January 1, 2013 through December 31, 2017
Enrollment Period L:	January 1, 2014 through December 31, 2018
Enrollment Period M:	January 1, 2015 through December 31, 2019
Enrollment Period N:	January 1, 2016 through December 31, 2020
Enrollment Period O:	January 1, 2017 through December 31, 2021

(N)

**SCHEDULE 489 (Continued)**

ENROLLMENT PERIODS (Continued)

ENROLLMENT PERIODS	FIXED THREE-YEAR OPTION
Enrollment Periods A and B:	This option was not available.
Enrollment Period C:	January 1, 2005 through December 31, 2007
Enrollment Period D:	January 1, 2006 through December 31, 2008
Enrollment Period E:	January 1, 2007 through December 31, 2009
Enrollment Period F:	January 1, 2008 through December 31, 2010
Enrollment Period G:	January 1, 2009 through December 31, 2011
Enrollment Period H:	January 1, 2010 through December 31, 2012
Enrollment Period I:	January 1, 2011 through December 31, 2013
Enrollment Period J:	January 1, 2012 through December 31, 2014
Enrollment Period K:	January 1, 2013 through December 31, 2015
Enrollment Period L:	January 1, 2014 through December 31, 2016
Enrollment Period M:	January 1, 2015 through December 31, 2017
Enrollment Period N:	January 1, 2016 through December 31, 2018
Enrollment Period O:	January 1, 2017 through December 31, 2019

(N)

**SCHEDULE 490  
LARGE NONRESIDENTIAL  
COST-OF-SERVICE OPT-OUT  
(>4,000 kW and Aggregate to >100 MWa)**

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

To each Large Nonresidential Customer who meet the following conditions: 1) Individual account demand has exceeded 4,000 kW at least twice within the preceding 13 months, or with seven months or less of service has had a Demand exceeding 4,000 kW; and 2) where combined usage of all accounts meeting condition 1 for the Large Nonresidential Customer aggregate to at least 100MWa in a calendar year; and 3) the customer maintains a load factor of 80% or greater for each account; and 4) who has chosen the Company's transition plan during one of the enrollment periods specified below.

To obtain service under this schedule, Customers must enroll a minimum of 1 MWa determined by a demonstrated usage pattern such that projected usage for a full 12 months is at least 8,760,000 kWh (1 MWa) from one or more Points of Delivery (POD). Each POD must have a Facility Capacity of at least 250 kW. Service under this schedule is limited to the first 300 MWa that applies to this and Schedules 485 489, 490, 491, 492, and 495. Customers have a minimum five-year option and a fixed three-year option.

**ENROLLMENT PERIODS**

<u>ENROLLMENT PERIODS</u>	<u>MINIMUM FIVE-YEAR OPTION</u>
Enrollment Period A through L:	This option was not available.
Enrollment Period M:	January 1, 2015 through December 31, 2019
Enrollment Period N:	January 1, 2016 through December 31, 2020
Enrollment Period O:	January 1, 2017 through December 31, 2021

(N)

<u>ENROLLMENT PERIODS</u>	<u>FIXED THREE-YEAR OPTION</u>
Enrollment Periods A through L:	This option was not available.
Enrollment Period M:	January 1, 2015 through December 31, 2017
Enrollment Period N:	January 1, 2016 through December 31, 2018
Enrollment Period O:	January 1, 2017 through December 31, 2019

(N)