



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

January 30, 2009

via E-Filing and US Mail

Public Utility Commission of Oregon
550 Capitol St., NE, No.215
Salem, OR 97308-2148

Attention: **Commission Filing Center:**

Re: **UM-___** PGE's Application for Deferred Accounting of
Revenues Associated with an ROE Refund and Sales Normalization
Adjustment and Lost Revenue Recovery

Enclosed is an original signed Application and one copy of Portland General Electric Company's application for deferred accounting of Revenues Associated with an ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery.

Notice of Application for Deferred Accounting of Revenues Associated with ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery has been forwarded to the UE-197 service list. This document is being filed by electronic mail with the Filing Center. PGE waives paper service of documents in this proceeding and has E-filed a copy on this date.

Thank you for your assistance in this matter. If you have any questions or require further information, please call me at (503) 464-7580 or Jay Tinker at (503) 464-7002.

Please direct all formal correspondence, questions, or requests to the following e-mail address pge.opuc.filings@pgn.com

Sincerely,


Patrick G. Hager
Manager, Regulatory Affairs

Encls.

PGH/smg

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM _____

In the Matter of the Application of Portland General Electric Company for an Order Approving the Deferral of Revenues Associated with ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery

Application for Deferral of Revenues Associated with ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery

Pursuant to ORS 757.259 and OAR 860-027-0300 and Order No. 09-020, Portland General Electric Company ("PGE") hereby requests authorization to defer for later rate-making treatment revenues associated with 1) an ROE refund, and 2) a Sales Normalization Adjustment and Lost Revenue Recovery mechanism. In support of this Application, PGE states:

1. PGE is a public utility in the state of Oregon and its rates, services and accounting practices are subject to the regulation of the Commission.
2. This application is filed pursuant to ORS 757.259, which allows the Commission, upon application, to authorize deferral of certain items for later incorporation in rates.
3. Communications regarding this Notice and Application should be addressed to:

Randy Dahlgren
Rates & Regulatory Affairs
Portland General Electric,
1 WTC0702
121 SW Salmon Street
Portland, Oregon 97204
Phone: 503.464.7857
E-mail: pge.opuc.filings@pgn.com

Douglas C. Tingey
Assistant General Counsel
Portland General Electric,
1 WTC1301
121 SW Salmon Street
Portland, Oregon 97204
Phone: 503.464.8926
E-mail: Doug.Tingey@pgn.com

PGE waives paper service in this proceeding. In addition to the names and addresses above, the following are to receive notices and communications via the e-mail service list:

Marc Cody, Analyst, Pricing and Tariffs
E-mail: Marc.Cody@pgn.com

Jay Tinker, Project Manager, Regulatory Affairs
E-mail: Jay.Tinker@pgn.com

I. OAR 860-027-0300(3) Requirements

The following is provided pursuant to OAR 860-027-0300(3).

A. Background

In Docket No. UE 197, PGE proposed a Sales Normalization Adjustment (SNA) and a Lost Revenue Recovery (LRR) mechanism. The Commission approved the SNA and LRR in Order 09-020 subject to the following conditions:

1. PGE's authorized ROE shall be reduced by ten (10) basis points and PGE should file an application to defer the revenue-requirement effect of this change until it can be reflected in base rates; and
2. The SNA and LRR will terminate two years after the effective date of the approved tariffs unless extended by the Commission. PGE may request an extension of the mechanism or a revised mechanism no later than three months before the scheduled expiration of the tariffs. To allow a full review of PGE's costs, the Commission may condition extensions of the existing, or a modified, mechanism on the filing of a general rate case.

In this Application, PGE seeks deferred accounting treatment of revenues associated with the ROE refund, and the SNA and LRR mechanisms.

B. Reasons for Deferral

Pursuant to ORS 757.259(2)(e) and Order No. 09-020, discussed above, PGE seeks deferred accounting treatment of the revenues associated with ROE refund, and potential revenue amounts associated with a decoupling mechanism. The granting of this Application will minimize the frequency of rate changes and match appropriately the costs borne by and benefits received by

customers. Approving the Application will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

C. Proposed Accounting

PGE proposes to use three separate accounts for the ROE refund and the LRR and SNA mechanisms. For the ROE refund, we propose to credit FERC account 229 (Accumulated Provision for Rate Refunds), debiting FERC account 449.1 (Provision for Rate Refunds). For the LRR and SNA accounts, we propose to record the deferred amounts to FERC account 182.3 (Regulatory Assets) if the deferred amount is to be collected from customers or FERC account 254 (Regulatory Liabilities) if the deferred amount is to be refunded to customers. The corresponding debit or credit for the LRR and SNA accounts is to FERC account 456 (Other Revenue). In the absence of a deferred accounting order from the Commission, PGE would record the revenues associated with all three deferred accounts in FERC accounts 440 (Residential Sales), and 442 (Commercial/Industrial Sales). As indicated in Order 09-020, the three deferred accounts will accrue interest at the blended Treasury rate. PGE will begin deferring amounts for the ROE refund, and the SNA and LRR mechanisms as of the effective date of Schedule 123, February 1, 2009.

D. Estimate of Amounts

PGE estimates the deferred amount associated with change to the authorized ROE to be a refund of approximately \$1.9 million annually. The amounts to be deferred pursuant to the SNA and LRR will be determined as described in Schedule 123, which for the SNA is the difference between actual, weather adjusted usage per customer during the deferral period and the usage per customer projected in UE 197 pursuant to PGE's Schedule 123. The LRR difference is based on energy efficiency savings as reported by the ETO and savings incorporated in the applicable load forecast. Since actual usage per customer or energy efficiency results are not known, the amount to be deferred is also unknown.


E. Notice

A copy of the notice of application for deferred accounting treatment and a list of persons served with the notice are attached to the Application as Attachment A.

II. Conclusion

For the reasons stated above, PGE request permission to defer for later rate-making treatment revenues associated with ROE refund, as well as a Sales Normalization Adjustment and Lost Revenue Recovery mechanisms.

DATED this 30th day of January, 2009.



Patrick G. Hager
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Attachment A

Notice of Application for Deferral of Revenues Associated with ROE Refund and
Sales Normalization Adjustment and Lost Revenue Recovery

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM _____**

In the Matter of the Application of Portland
General Electric Company for an Order
Approving the Deferral of Revenues
Associated with ROE Refund and Sales
Normalization Adjustment and Lost Revenue
Recovery

**Notice of Application for Deferral of
Revenues Associated with ROE Refund
and Sales Normalization Adjustment and
Lost Revenue Recovery**

On January 30, 2009, Portland General Electric Company ("PGE") filed an Application for Deferral of Revenues Associated with ROE Refund and Sales Normalization Adjustment and/or Lost Revenue Recovery with the Oregon Public Utility Commission (the "Commission").

Approval for deferred accounting treatment will not authorize a change in PGE's rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

Persons who wish to obtain a copy of PGE's application should contact the following:

PGE-OPUC Filings
Rates & Regulatory Affairs
Portland General Electric Company
121 SW Salmon Street, 1WTC0702
Portland, OR 97204
(503) 464-7857 (telephone)
(503) 464-7651 (fax)
pge.opuc.filings@pgn.com

Any person who wishes to submit written comments to the Commission on PGE's application must do so no later than March 2, 2009.

Dated: January 30, 2009

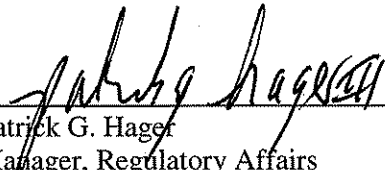


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CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing Notice of Application for Deferral of Revenues Associated with ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery to be served by Electronic Mail to those parties whose e-mail addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, upon those parties on the attached service list who have not waived paper service from OPUC Docket No. UE 197.

Dated at Portland, Oregon, this January 30, 2009.



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eDockets

Docket Summary

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Docket No: UE 197 Docket Name: PORTLAND GENERAL ELECTRIC

[Print Summary](#)

Subject Company: PORTLAND GENERAL ELECTRIC

See also: UE 198 08-23

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY Request for a general rate revision. Filed by James J. Piro. Initial Utility Filing for electronic version.)

Filing Date: 2/27/2008

Advice No: 08-02

Effective: 1/1/2009

Expiration: 12/31/2008

Status: **PERM SUSPEND**

Final Order: 09-020

Order Signed: 1/23/2009

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 please try one of these:
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[General information about Tariff](#)

<u>ACTIONS</u>		<u>SERVICE LIST (Parties)</u>		<u>SCHEDULE</u>
W=Waive Paper service	C=Confidential HC=Highly Confidential		<u>Sort by Last Name</u>	<u>Sort by Company Name</u>
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