



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

July 28, 2017

**Email**

[puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us)

Public Utility Commission of Oregon

**Attn: OPUC Filing Center**

201 High Street, Ste. 100

P. O. Box 1088

Salem, OR 97308-1088

**Attn: OPUC Filing Center**

**Re: UM 1679 PGE's Technical Update**

Commission Order No. 14-297 in this docket, requires PGE to use the ASL depreciation procedure for all new generating plants placed in service after December 31, 2012. Under the terms of the stipulation, PGE is required to submit a depreciation technical update, no later than one year after a new generating facility comes online.

Carty Generating Station (Carty) was declared in-service and commercially operable as of July 29, 2016.

Enclosed are (1) an Attestation of PGE's Senior Vice-President of Finance, Chief Financial Officer and Treasurer, James Lobdell, attesting that PGE is using Average Service Life (ASL) depreciation method for Carty [Attachment A hereto], and (2) the depreciation technical update in a spreadsheet format [Attachment B hereto].

The accounting entries to record electric plant in service and monthly depreciation expenses for Carty are:

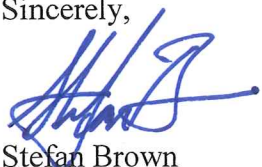
101 Plant In Service	xxx
107 Construction Work in Progress	xxx
To record the capitalized construction costs to electric plant in service	
403 Depreciation Expense	xxx
108 Accumulated Depreciation	xxx
To record the monthly depreciation expense	

In addition, Attachment B demonstrates that the ASL depreciation method is in use.

PGE will work with Staff to provide any additional details needed to explain Carty depreciation calculations. If you have any questions or require further information, please call me at

(503) 464-8929. Please direct all formal correspondence, questions, or requests to the following e-mail address [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Stefan Brown', with a stylized flourish at the end.

Stefan Brown  
Manager, Regulatory Affairs

Encls.

**UM 1679**

**Attachment A**

Attestation

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON

UM 1679

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY's

Detailed Depreciation Study of Electric  
Utility Properties

ATTESTATION OF  
JAMES F. LOBDELL

I, James F. Lobdell, being first duly sworn on oath, depose and say:


1. My name is James F. Lobdell. I am Senior Vice President, Chief Financial Officer and Treasurer of Portland General Electric Company.
2. In accordance with Commission Order No. 14-297, I attest that PGE is using the Average Service Life depreciation method for the Carty Generating Station.

SIGNED this 27 day of July, 2017.

  
\_\_\_\_\_  
JAMES F. LOBDELL

SUBSCRIBED AND SWORN to before me this 27<sup>th</sup> day of July, 2017



  
\_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires: Sept. 23, 2018

**UM 1679**

**Attachment B**

**Provided Electronically**

Carty Depreciation Technical Update

Carty - Technical Update 07/2017 - per Order 14-297																actuals as of:				
ACCT	LOC	Survivor Curve	7/31/2016 SALVAGE PLANT BAL	8/31/2016 PLANT BAL	9/30/2016 PLANT BAL	10/31/2016 PLANT BAL	11/30/2016 PLANT BAL	12/31/2016 PLANT BAL	1/31/2017 PLANT BAL	2/28/2017 PLANT BAL	3/31/2017 PLANT BAL	4/30/2017 PLANT BAL	5/31/2017 PLANT BAL	6/30/2017 PLANT BAL	2016-2017 Additions	Settle UM1679 ASL/VG	August Expense	8/31/2016 RESERVE	September Expense	
34100		70-R2	-0.06	90,967,724	90,967,724	90,967,118	90,965,657	91,013,966	91,013,966	91,013,966	91,013,966	91,013,966	91,013,966	91,013,966	91,013,966	46,242	2.380%	191,244	191,244	190,865
34200		50-R3	-0.06	21,854,466	21,854,466	21,854,320	21,853,969	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	11,109	2.420%	46,718	46,718	46,623
34400		45-R1	-0.06	446,445,981	439,222,846	445,487,240	449,929,034	466,355,977	474,189,126	472,543,800	471,242,851	474,998,724	474,453,010	474,750,066	474,352,200	27,906,219	2.760%	1,088,435	1,088,435	1,068,322
34600		55-R2	-0.02	6,349,420	6,349,420	6,349,378	5,799,509	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	(546,831)	2.470%	13,331	13,331	13,303
																Settle UM1679 ELG				
35300		55-R2	-0.15	-	-	-	549,767	550,059	534,160	534,160	534,160	534,160	534,160	534,160	534,160	534,160	2.890%	-	-	-
39703		15-SQ	0.00	5,917,034	5,917,034	5,916,995	5,916,900	5,920,042	5,921,029	5,929,078	5,935,312	5,952,097	5,953,219	5,954,056	5,925,004	7,970	15.620%	77,020	77,020	76,018
				571,534,625	564,311,490	570,575,051	575,014,835	591,508,208	599,326,445	597,688,969	596,394,453	600,167,111	599,622,519	599,920,411	599,493,494			1,416,748		<u>1,395,131</u>

Settled under ASL/VG Rates for Production accounts, ELG for non-production accounts

9/30/2016 Reserve	October Expense	10/31/2016 Reserve	November Expense	11/30/2016 Reserve	December Expense	12/31/2016 Reserve	January Expense	1/31/2017 Reserve	February Expense	2/28/2017 Reserve	March Expense	3/31/2017 Reserve	April Expense	4/30/2017 Reserve	May Expense	5/31/2017 Reserve	June Expense	6/30/2017 Reserve
382,110	190,485	572,595	190,104	762,699	189,829	952,529	189,463	1,141,981	189,077	1,331,056	188,702	1,519,760	188,328	1,708,087	187,954	1,896,041	187,581	2,083,622
83,341	46,529	139,870	46,434	186,304	46,366	232,670	46,272	278,942	46,179	325,121	46,086	371,206	45,993	417,189	45,900	463,089	45,807	508,907
2,156,757	1,081,137	3,237,894	1,089,480	4,327,374	1,127,023	5,454,397	1,143,528	6,597,925	1,136,886	7,734,611	1,131,100	8,865,911	1,137,655	10,003,566	1,133,708	11,137,275	1,131,825	12,269,099
26,634	13,276	39,909	12,094	52,003	12,075	64,079	12,051	76,130	12,026	88,155	12,001	100,156	11,976	112,133	11,952	124,085	11,927	136,012
-	-	-	1,523	1,523	1,520	3,042	1,472	4,514	1,469	5,983	1,465	7,448	1,461	8,909	1,458	10,367	1,454	11,822
153,038	75,028	228,065	74,050	302,115	73,127	375,241	72,188	447,429	71,353	518,782	70,505	589,287	69,806	659,093	68,912	728,005	68,026	796,031
	<u>1,406,455</u>		<u>1,413,685</u>		<u>1,449,939</u>		<u>1,464,963</u>		<u>1,456,989</u>		<u>1,449,859</u>		<u>1,455,219</u>		<u>1,449,884</u>		<u>1,446,621</u>	

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34200		50-R3	-0.06	21,854,466	21,854,466	21,854,320	21,853,969	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	21,865,575	11,109	2.420%	46,718	46,718	46,623	
34400		45-R1	-0.06	446,445,981	439,222,846	445,487,240	449,929,034	466,355,977	474,189,126	472,543,600	471,242,851	474,998,724	474,453,010	474,750,066	474,352,200	27,906,219	2.760%	1,088,435	1,088,435	1,068,322	
34600		55-R2	-0.02	6,349,420	6,349,420	6,349,378	5,799,509	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	5,802,589	(546,831)	2.470%	13,331	13,331	13,303	
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39703		15-SQ	0.00	5,917,034	5,917,034	5,916,995	5,916,900	5,920,042	5,921,029	5,929,078	5,935,312	5,952,097	5,953,219	5,954,056	5,925,004	7,970	15.620%	77,020	77,020	76,018	
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	<u>1,406,455</u>		<u>1,413,685</u>		<u>1,449,939</u>		<u>1,464,963</u>		<u>1,456,989</u>		<u>1,449,859</u>		<u>1,455,219</u>		<u>1,449,884</u>		<u>1,446,621</u>	