



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

December 1, 2016

**Email / US Mail**  
[puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us)

Public Utility Commission of Oregon  
201 High St. SE, Suite 100  
P. O. Box 1088  
Salem, OR 97308-1088

**Attn: OPUC Filing Center**

**RE: UM 1301 PGE's Application for Reauthorization to Defer Direct  
Access Open Enrollment Costs/Benefits**

Enclosed for filing is Portland General Electric Company's (PGE) Application for Reauthorization to Defer Direct Access Open Enrollment Costs/Benefits.

PGE received authorization pursuant to OPUC Order No. 16-038. A notice regarding the filing of this application has been sent to the parties on the UE 294 and UM 1301 service lists.

Thank you for your assistance in this matter. 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", is written over a faint, larger version of the signature.

Stefan Brown  
Manager, Regulatory Affairs

*encls.*

cc: Judy Johnson, OPUC  
Bob Jenks, CUB  
Brad Van Cleve, ICNU  
Service List: UE 294 and UM 1301

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1301

**In the Matter of the Application of Portland  
General Electric Company for an Order  
Approving the Deferral of Direct Access Open  
Enrollment Costs/Benefits**

**Application for Reauthorization to  
Defer Direct Access Open Enrollment  
Costs/ Benefits**

Pursuant to ORS 757.259 and OAR 860-027-0300, and Commission Order No. 16-038, Portland General Electric Company (PGE) hereby requests reauthorization to defer for later ratemaking treatment certain costs or benefits associated with implementation of PGE's direct access open enrollment windows<sup>1</sup> from January 1 through December 31, 2017 ("Deferral Period 2017").

**I. Deferral History**

On September 14, 2006, the Commission adopted the Direct Access Stipulation in Order No. 06-528 in consolidated Dockets UE 180 (Request for General Rate Revision), UE 181 (Annual Adjustments to Schedule 125 (2007 RVM Filing), and UE 184 (Request for a General Rate Revision related to the Port Westward Plant). PGE and parties entered into, and the Commission approved, a stipulation by which PGE would offer quarterly direct access enrollment windows in addition to its annual November election window. The stipulation was made a part of Commission Order No. 07-015 and PGE filed tariff Schedule 128 in compliance with that Order.

On February 1, 2007, PGE filed a request for approval to defer costs and benefits associated with its 2007 Quarterly Direct Access Open Enrollment Windows and pursuant to the Direct Access

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<sup>1</sup> The direct access windows include PGE's annual and balance-of-year open enrollment window provided through PGE's Schedule 128.

Stipulation referred to above. The quarterly deferral was authorized through Commission Order No. 07-108 and the request to continue the deferral is filed pursuant to Commission Order No. 15-023 and ORS §757.259. On March 17, 2008, the Commission determined that the costs/benefits associated with PGE's Annual Direct Access Window are appropriately included in this deferral, e.g., UM 1301. See Commission Order No. 08-169 (Docket UM 1359).

On February 23, 2012, the Commission approved a stipulation in Docket UE 236 (Order No. 12-057) that reduced the quarterly windows to one, effective April 1 of each year. The balance-of-year window now provides Schedule 128 eligible customers the opportunity to move to direct access service or an applicable non-cost-of-service pricing option for the balance of the calendar year.

The financial impact of customer decisions during the balance-of-year and Annual Direct Access Windows is based on the amount of customer load that selects non-cost of service pricing and the changes in wholesale market prices used to set the transition adjustment rates (Schedule 128 rates) for each enrollment period. Amounts calculated pursuant to this mechanism will be deferred if the difference in market prices and the load leaving PGE's cost-of-service rate exceeds \$60,000 in the balance-of-year period or \$240,000 for the annual election as specified in Schedule 128.

PGE has since filed and received several reauthorizations for this deferral, as shown in Table 1 below:

Table 1

Filing Date	Renewal Period	Order No.	Approval Date
1/17/08	2/01/08 – 1/31/09	08-153	3/04/08
1/23/09	2/01/09 – 1/31/10	09-070	3/02/09
1/20/10	2/01/10 - 1/31/11	10-075	3/02/10
1/20/11	2/01/11 – 1/31/12	11-058	2/16/11
1/20/12	2/01/12 - 1/31/13	12-064	2/28/12
1/28/13 <sup>2</sup>	2/01/13 – 12/31/13	13-082	3/13/13
12/20/13	1/01/14 – 12/31/14	14-022	1/22/14
12/22/14	1/01/15 – 12/31/15	15-023	2/28/15
12/18/15	1/01/16 – 12/31/16	16-038	1/26/16

**II. OAR 860-027-0300 Requirements**

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

a. Description of Amounts

The deferred amount for any given Deferral Period is a function of the difference in wholesale market prices used to set transition adjustment rates (Schedule 128) for each open enrollment window, and the amount of customer load that selects non-cost of service energy pricing and supply. The current deferral balance is approximately \$670,000<sup>3</sup> associated with the annual November enrollment window. PGE will amortize this \$670,000 charge in 2017 through Schedule 105. PGE cannot provide an estimate of the deferred amount for Deferral Period 2017 until the results of the outcome of the balance-of-year window is available.

b. Reasons for Deferral

<sup>2</sup> Deferral timeline modified to the calendar year to allow consistency with provisions of Schedule 128.

<sup>3</sup> This represents a charge to customers.

PGE seeks authorization to continue to defer costs or benefits incurred between January 1 through December 31, 2017. Any costs or benefits associated with the deferral will be considered later for appropriate rate-making treatment in an actual rate-making proceeding. PGE seeks reauthorization to defer costs associated with its Direct Access Open Enrollment Costs or Benefits for the Deferral Period 2017. Without reauthorization, this deferral will expire on December 31, 2016. The continuation of the deferral will minimize the frequency of rate changes or fluctuations pursuant to ORS 757.259(2)(e), or match appropriately the costs borne by and benefits received by customers. The deferral provides a mechanism for PGE to track the cost or benefit of open enrollment options and defer those costs or benefits for later rate-making treatment. PGE will seek amortization of any deferred amount in a later proceeding.

Pursuant to Order No. 07-015, PGE expects any deferred amount to be recovered or refunded in a manner approved by the Commission and consistent with the terms of Schedule 128.

c. Proposed Accounting

PGE proposes to record the deferral as a regulatory asset in FERC Account 182.3 (Other Regulatory Assets) with an off-setting credit to FERC Account 447 (Sales for Resale) or as a regulatory liability in FERC Account 254 (Other Regulatory Liabilities) with an off-setting debit to FERC Account (Sales for Resale). In the absence of a deferral order, PGE would record the revenues associated with the deferred amount in FERC Account 447 (Sales for Resale).

d. Estimate of Amounts

See II (a) above. PGE requests that, in accordance with ORS 757.259(4), it be allowed to continue to accrue interest on the unamortized balance at a rate equal to its authorized weighted average cost of capital. Subsequently, interest will accrue at the interest rate set by the Commission for the amortization of deferred accounts.

e. Notice

A copy of the Notice of Application for Reauthorization to Defer Direct Access Open Enrollment Costs or Benefits and a list of persons served with the Notice are attached to the Application as Attachment A.

**III. The following is provided pursuant to OAR 860-027-0300(4):**

a. Description of deferred account entries

Please see sections (II)(a) and II(c) above.

b. The reason for continuing deferred accounting

PGE seeks approval to continue to defer costs associated with its Direct Access Open Enrollment Costs or Benefits pursuant to conditions approved in Commission Order No. 16-038, as described in Section II(b) above from January 1 through December 31, 2017. Without reauthorization, this deferral will expire on December 31, 2016.

**IV. PGE Contacts**

The authorized addresses to receive notices and communications in respect of this Application are:

Douglas C. Tingey  
Associate General Counsel  
Portland General Electric Company  
121 SW Salmon Street, 1WTC1301  
Portland, OR 97204  
Phone: 503.464.8926  
Fax: 503.464.2200  
E-mail: [doug.tingey@pgn.com](mailto:doug.tingey@pgn.com)

PGE-OPUC Filings  
Rates & Regulatory Affairs  
Portland General Electric Company  
121 SW Salmon Street, 1WTC0306  
Portland, OR 97204  
Phone: 503.464.8929  
Fax: 503.464.7651  
E-mail: [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)

In addition to the names and addresses above, the following are to receive notices and communications via the e-mail service list:

Stefan Brown, Manager, Regulatory Affairs  
E-mail: [stefan.brown@pgn.com](mailto:stefan.brown@pgn.com).

V. **Summary of Filing Conditions**

a. Earnings Review

An earnings review should not be required, because, as stated in the Public Utility Commission of Oregon Staff Memo for PGE Advice No. 13-24, which was approved at the December 19, 2013 OPUC Public Meeting, the deferred costs are of the sort that should be borne by customers.

b. Prudence Review

A prudence review will be performed by the Staff and should include a verification of the accounting methodology used to determine the final amortization balance.

c. Sharing

All costs should flow to customers per the Staff Memo described in part V(a) above.

d. Rate Spread/Rate Design

The amortization of any deferred amount will be spread on a per-kWh basis to Large Nonresidential customers as specified in Schedule 128.

e. Three Percent Test (ORS 757.259(6))

The three percent test measures the annual overall effect on customer rates resulting from deferral amortizations. The three percent test limits (exceptions at ORS 757.259(7) and (8)) the aggregated deferral amortizations during a 12-month period to no more than three percent of the

utility's gross revenues for the preceding year. The limit of these deferrals, if any will be determined at the time of amortization.

**VI. Conclusion**

For the reasons stated above, PGE requests permission to continue to defer certain Direct Access Open Enrollment Costs or Benefits effective January 1 through December 31, 2017.

DATED: December 1, 2016.

Respectfully Submitted,



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Stefan Brown  
Manager, Regulatory Affairs  
On Behalf of Portland General Electric Company  
121 SW Salmon Street, 1WTC0306  
Portland, Oregon 97204  
Phone: 503.464.8929  
Fax: 503.464.7651  
E-Mail: [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)



**UM 1301**

**Attachment A**

Notice of Application for Reauthorization to Defer  
Direct Access Open Enrollment Costs/Benefits

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 1301**

**In the Matter of the Application of  
Portland General Electric Company for  
an Order Approving the Deferral of  
Direct Access Open Enrollment  
Costs/Benefits**

**Notice of Application for Reauthorization  
to Defer Direct Access Open Enrollment  
Costs/ Benefits**


On December 1, 2016, Portland General Electric Company (PGE) filed an application with the Public Utility Commission of Oregon (“Commission”) for an Order reauthorizing deferral of direct access open enrollment costs or benefits pursuant to Commission Order No. 07-015, PGE tariff Schedule 128, and OPUC Order Nos. 16-038.

Approval of PGE’s Application 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 will be able to access it on the Commission website.

Any person who wishes to submit written comments to the Commission on PGE’s application must do so no later than January 2, 2017.


Dated this 1<sup>st</sup> day of December 2016.

  
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Stefan Brown  
Manager, Regulatory Affairs  
On Behalf of Portland General Electric Company  
121 SW Salmon Street, 1WTC0306  
Portland, Oregon 97204  
Phone: 503.464.8929  
Fax: 503.464.7651  
E-Mail: pge.opuc.filings@pge.com

## CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **Notice of Application For Reauthorization to Defer Direct Access Open Enrollment Costs/Benefits** to be served by electronic mail to those parties whose email addresses appear on the attached service lists for Docket No. UE 294 and UM 1301.

DATED at Portland, Oregon, this 1<sup>st</sup> day of December 2016.



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Stefan Brown  
Manager, Regulatory Affairs  
On Behalf of Portland General Electric Company  
121 SW Salmon Street, 1WTC0306  
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**SERVICE LIST  
OPUC DOCKET  
No. UE 294**

Judy Johnson (C) PUBLIC UTILITY COMMISSION OF OREGON judy.johnson@state.or.us	Johanna Riemenschneider (C) PUC – DEPARTMENT OF JUSTICE Johanna.riemenschneider@state.or.us
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**SERVICE LIST**  
**OPUC DOCKET NO. UM 1301**

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<p>Doug Tingey PORTLAND GENERAL ELECTRIC <a href="mailto:doug.tingey@pgn.com">doug.tingey@pgn.com</a></p>	<p>Judy Johnson PUBLIC UTILITY COMMISSION OF OREGON <a href="mailto:judy.johnson@state.or.us">judy.johnson@state.or.us</a></p>