



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

December 1, 2015

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

**RE: Advice No. 15-32, Schedule 122, Renewable Resource Automatic Adjustment Clause (RRAAC)**

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes (ORS) 757.205, 757.210 and 469A.120, and Oregon Administrative Rules (OARs) 860-022-0025 and 860-022-0030(1) for filing proposed tariff sheets associated with Tariff P.U.C. No. 18, with an effective date of **January 1, 2016**:

Eleventh Revision of Sheet No. 122-1  
Eleventh Revision of Sheet No. 122-2

This Compliance Filing implements the stipulation adopted by the Commission in OPUC Order No. 15-304 (Docket No. UE 297) and permanently suspended Advice No. 15-07. Consistent with the Order, the Schedule 122 prices are calculated to refund \$2.3 million plus interest during 2016.

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

Current Schedule 122 prices provide revenues of approximately \$3.0 million annually. The proposed \$2.3 million refund to customers during 2016 will result in a decrease of \$5.3 million or a 0.3% decrease for the approximately 856,000 applicable customers during 2016. A typical Schedule 7 Residential customer consuming 840 kWh monthly will see a bill decrease of \$0.28 or 0.3%.

To satisfy the requirements of ORS 757.259(6), PGE provides the following responses: PGE's 2014 annual cycle revenues were approximately \$1,729 million. The sum of PGE's proposed 2016 deferrals including the proposed Schedule 122 deferral is approximately zero. A list of the currently amortizing deferrals is provided in the work papers. Also provided in the work papers are the development of the proposed Schedule 122 prices and detailed bill comparisons.

In its UE 294 Compliance Filing, PGE will include the Schedule 129 fixed cost increments of 0.03 mills/kWh applicable to the 2015 and 2016 long-term direct access vintages. The enclosed work papers detail the applicable RRAAC fixed cost increments that are consistent with the provisions of OPUC Order No. 13-459.

Should you have any questions or comments regarding this filing, please contact Marc Cody at (503) 464-7434 or Rebecca Brown at 503-464-8545.

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

Sincerely,



Karla Wenzel  
Manager, Pricing and Tariffs

Enclosures  
cc: UE 297 Service List

**SCHEDULE 122  
RENEWABLE RESOURCES AUTOMATIC ADJUSTMENT CLAUSE**

**PURPOSE**

This Schedule recovers the revenue requirements of qualifying Company-owned or contracted new renewable energy resource projects (including associated transmission) not otherwise included in rates. Additional new renewable projects may be incorporated into this schedule as they are placed in service. This adjustment schedule is implemented as an automatic adjustment clause as provided for under ORS 757.210 and Section 13 of the Oregon Renewable Energy Act (OREA).

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

To all bills for Electricity Service except Schedules 76, 485, 489, 490, 491, 492, 495 and 576. This schedule is not applicable to direct access customers after December 31, 2010.

**ADJUSTMENT RATE**

The Adjustment Rate, applicable for service on and after the effective date of this schedule are:

<u>Schedule</u>		
7	(0.014)	¢ per kWh
15	(0.011)	¢ per kWh
32	(0.013)	¢ per kWh
38	(0.013)	¢ per kWh
47	(0.016)	¢ per kWh
49	(0.015)	¢ per kWh
75		
Secondary	(0.011)	¢ per kWh
Primary	(0.011)	¢ per kWh
Subtransmission	(0.011)	¢ per kWh
83	(0.013)	¢ per kWh
85		
Secondary	(0.013)	¢ per kWh
Primary	(0.012)	¢ per kWh

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**SCHEDULE 122 (Continued)**

ADJUSTMENT RATE (Continued)

<u>Schedule</u>				
89				
Secondary	(0.011)	¢ per kWh		(R)               (R)
Primary	(0.011)	¢ per kWh		
Subtransmission	(0.011)	¢ per kWh		
90	(0.011)	¢ per kWh		
91	(0.011)	¢ per kWh		
92	(0.011)	¢ per kWh		
95	(0.011)	¢ per kWh		

**ANNUAL REVENUE REQUIREMENTS**

The Annual Revenue Requirements of a qualifying project will include the fixed costs of the renewable resource and associated transmission (including return on and return of the capital costs), operation and maintenance costs, income taxes, property taxes, and other fees and costs that are applicable to the renewable resource or associated transmission. Until the dispatch benefits are included in the Annual Power Cost Update Schedule 125, the net revenue requirements of each project (fixed costs less market value of the energy produced by the renewable resource plus any power costs such as fuel, integration and wheeling costs) will be deferred and incorporated the following January 1 into the Schedule 122 rates. This balancing account will accrue interest at the Commission-authorized rate for deferred accounts. Each year by April 1, the Company will file an update to the revenue requirements of resources included in this schedule to recognize projected changes for the following calendar year.

**DEFERRAL MECHANISM**

For each calendar year that the Company anticipates that a new renewable resource will commence operation, the Company may file a deferral request the earlier of the resource online date or April 1. The deferral amount will be for the fixed revenue requirements of the resource less net dispatch benefits. For purposes of determining dispatch benefits, the forward curves used to set rates for the year under the Annual Power Cost Update will be used. The deferral will be amortized over the next calendar year in Schedule 122 unless otherwise approved by the Oregon Public Utility Commission (OPUC). The amortization of the deferred amount will not be subject to the provisions of ORS 757.259(5).