



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

November 23, 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. 16-23, Schedule 123 Decoupling Adjustment, Compliance Filing

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rule 860-022-0025, for filing a proposed tariff sheet associated with Tariff P.U.C. No. 18, with a requested effective date of **January 1, 2017**:

Second Revision of Sheet No.123-6

This compliance filing is made pursuant to OPUC Order No. 16-359 which renews PGE's Schedule 123 Decoupling Mechanism for three years effective January 1, 2017.

To satisfy the requirements Oregon Administrative Rules (OAR) 860-022-0025(2) and OAR 860-022-0030(1), PGE responds as follows: PGE estimates that approximately 870,000 (2017 average) customers during 2017 will be impacted by the continuation of Schedule 123. Special Condition 5 language is added renewing the mechanisms, therefore, OAR 860-022-0030(1) does not apply.

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

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

A handwritten signature in black ink that reads "Karla Wenzel". The signature is written in a cursive, flowing style.

Karla Wenzel
Manager, Pricing and Tariffs

Enclosure

SCHEDULE 123 (Concluded)

SPECIAL CONDITIONS

1. The Fixed Charge Energy Rate, Monthly Fixed Charge per Customer and the Lost Revenue Rate will be updated concurrently with a change in the applicable base revenues used to determine the rates.
2. Weather-normalized energy usage by applicable rate schedule will be determined in a manner equivalent to that used for determining the forecasted loads used to establish base rates.
3. No revision to any SNA or LRRR Adjustment Rate will result in an estimated average annual rate increase greater than 2% to the applicable SNA or LRRR rate schedule, based on the net rates in effect on the effective date of the Schedule 123 rate revisions. Rate revisions resulting in a rate decrease are not subject to the 2% limit.
4. The LRRR prices for Customers served under the provisions of Schedules 485, 489, 490, 491, 492, and 495 will be calculated to apply to distribution services only.
5. The SNA and LRRR mechanisms will terminate on December 31, 2019 if not extended by the Commission.

(N)
(N)