



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

February 1, 2007

**Email / US Mail**

Vikie Bailey-Goggins  
Administrator  
Oregon Public Utility Commission  
550 Capitol Street NE, Ste 218  
Salem, OR 97301

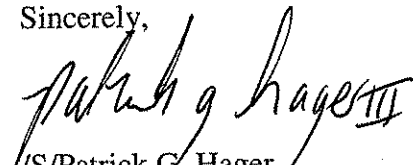
Re: **UM \_\_\_ PGE's Application for Deferral of 2007 Quarterly Direct Access  
Open Enrollment Costs/Benefits**

Ms. Bailey-Goggins:

Enclosed for filing are the original and five copies of Portland General Electric Company's Application for Deferral of 2007 Quarterly Direct Access Open Enrollment Costs/Benefits. We have provided notification of this application to the UE 180 service list.

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

Sincerely,



/S/Patrick G. Hager  
Manager, Regulatory Affairs

cc: UE 180 Service List

**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 2007 Quarterly  
Direct Access Open Enrollment Costs/Benefits

Application for Deferral of 2007 Quarterly  
Direct Access Open Enrollment Costs/Benefits

Pursuant to ORS 757.259 and OAR 860-027-0300, Portland General Electric Company ("PGE") hereby requests authorization to defer for later ratemaking treatment certain costs or benefits associated with implementation of the 2007 quarterly direct access open enrollment windows ("Deferred Amount"). PGE will seek amortization of any Deferred Amount in a later proceeding. The new quarterly direct access windows were established as part of the Direct Access Stipulation adopted by the Oregon Public Utility Commission ("Commission") in Order Nos. 06-528 and 07-015. PGE seeks authorization to defer costs or benefits incurred between February 1, 2007, and January 31, 2008, (the "Deferral Period"). PGE intends to file for annual reauthorizations of this deferral to cover future periods in which the quarterly direct access windows apply. 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 Application should be addressed to:

Rates and Regulatory Affairs  
Portland General Electric, 1WTC0702  
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, 1WTC13  
121 SW Salmon Street  
Portland, Oregon 97204  
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E-mail: doug.tingey@pgn.com

I. OAR 860-027-0300 Requirements

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

a. Description

On September 14, 2006, the Commission adopted the Direct Access Stipulation in Order No. 06-528 in consolidated OPUC 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 will offer quarterly direct access enrollment windows in addition to its annual November election window. The stipulation was made a part of Order No. 07-015 and PGE filed tariff Schedule 128 in compliance with that Order. Under Schedule 128 the windows will provide eligible customers on a cost-of-service rate schedule the opportunity to move to direct access service or an applicable non-cost of service pricing option. An election by an eligible customer will apply for the balance of the calendar year. The Balance-of-Year (quarterly) Transition Adjustment rates will be posted on PGE's website and filed with the OPUC on:

February 15<sup>th</sup>, or the next business day, for the April 1 (2<sup>nd</sup> Quarter)  
effective date of the election

May 15<sup>th</sup>, or the next business day, for the July 1 (3<sup>rd</sup> Quarter) effective  
date of the election

August 15<sup>th</sup>, or the next business day, for the October 1 (4<sup>th</sup> Quarter)  
effective date of the election

Each quarterly open enrollment window will be open for not less than three full business days following the posting of the applicable transition adjustment rates. During these open enrollment windows, eligible customers may choose a service option other than the cost-of-service energy supply. For each enrollment period for those customers electing to move from the cost-of-service option, PGE will defer the difference between the value of the energy based on (1) the forward curves used to establish the quarterly balance-of-year Schedule 128 rate and (2) the actual sale of power by PGE's Power Operations Group.

Amounts calculated pursuant to the description above will only be deferred if the difference exceeds \$60,000 in any quarterly period, as specified in Schedule 128.

b. Reasons for Deferral

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. Pursuant to Order No. 07-015, PGE expects any Deferred Amount to be recovered or refunded in a manner approved by the Commission.

PGE files this deferral application pursuant to 757.259(2)(e). The deferral will minimize the frequency of rate changes or fluctuations in rate levels or match appropriately the costs borne by and benefits received by customers.

c. Proposed Accounting

The Deferred Amount could be a credit or a charge to customers depending on actual wholesale power prices at the time PGE disposes of surplus power as a result of customer elections. If the Deferred Amount is a credit to customers, PGE proposes to record the deferral in FERC Account 254 (Other Regulatory Liabilities), debiting FERC Account 447 as a regulatory liability (Sales for Resale). If the Deferred Amount is a charge to customers, PGE

proposes to record the deferral as a regulatory asset in FERC Account 182.3 (Regulatory Asset), crediting FERC Account 447 (Sales for Resale). In the absence of a deferred accounting order, PGE would record the revenues associated with the Deferred Amount in FERC Account 447 (Sales for Resale).

d. Estimate of Amounts

The Deferred Amount is a function of: changes in wholesale market prices between the posting of the quarterly open enrollment prices, the sale of power by PGE after the open enrollment period ends, and the amount of customer load that moves.

Since the Deferred Amount is dependent on changes in wholesale market prices that are not known in advance of the sale of power, as well as the amount of customer load that might move, PGE cannot provide an estimate of the Deferred Amount. The deferred account will accrue interest at PGE's authorized cost of capital, currently 8.29%.

e. Notice

A copy of the Notice of Application for Deferral of 2007 Quarterly Direct Access Open Enrollment Costs/Benefits 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 requests permission to defer certain 2007 Quarterly Direct Access Open Enrollment Costs/Benefits described above from February 1, 2007, through January 31, 2008.

DATED this 1<sup>st</sup> day of February, 2007.

Respectfully Submitted,

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/S/Patrick G. Hager  
Manager, Regulatory Affairs  
On Behalf of Portland General Electric Company

**UM-\_\_\_\_\_**  
**Attachment A**

**Notice of Application for Deferral of 2007 Quarterly Direct Access Open  
Enrollment Costs/Benefits**

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM \_\_\_\_\_

In the Matter of the Application of Portland  
General Electric Company for an Accounting  
Order Authorizing Deferral of 2007 Quarterly  
Direct Access Open Enrollment Costs/Benefits

Application for Deferral of 2007 Quarterly  
Direct Access Open Enrollment Costs/Benefits

On February 1, 2007, Portland General Electric Company (“PGE”) filed an application with the Oregon Public Utility Commission (the “Commission”) for an Order authorizing deferral of 2007 quarterly direct access open enrollment costs/benefits pursuant to Order 07-015 and PGE tariff Schedule 128.

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.

PGE’s application will be posted on the OPUC website for persons who wish to obtain a copy or they may contact the following:

Patrick G. Hager  
Manager, Regulatory Affairs  
Portland General Electric Company  
121 SW Salmon Street, 1 WTC 0702  
Portland, Oregon 97204  
Phone: 503-464-7580  
Facsimile: 503-464-7651  
[patrick.hager@pgn.com](mailto:patrick.hager@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, 2007.

Dated: February 1, 2007.

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/S/PATRICK G. HAGER  
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121 SW Salmon Street, 1WTC0702  
Portland, OR 97204  
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**CERTIFICATE OF SERVICE**

I certify that this day I have served notification of the foregoing **APPLICATION FOR DEFERRAL OF 2007 QUARTERLY DIRECT ACCESS OPEN ENROLLMENT COSTS/BENEFITS** on the persons shown on the attached UE 180 Service List by mailing a copy by First Class U.S. Mail, postage prepaid, properly addressed to each.

Dated this 1<sup>st</sup> day of February, 2007.

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/S/Patrick G. Hager  
Manager, Regulatory Affairs

W=Waive Paper  
service

C=Confidential  
HC=Highly Confidential

[Sort by Last Name](#)

[Sort by Company Name](#)

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