



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

January 20, 2010

**Via E-Mail and US Mail**

Public Utility Commission  
Attention Filing Center  
550 Capitol Street NE, Ste. 215  
Salem, OR 97308.

**RE: UM-1417 PGE's Application for Reauthorization of Deferred Accounting of Revenues Associated with an ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery**

Enclosed for filing are an original and one copy of Portland General Electric Company's (PGE) Application for Reauthorization of deferred accounting of Revenues Associated with an ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery. PGE received authorization pursuant to OPUC Order No. 09-162.

We have provided copies of the Notice of Application for Reauthorization to the UE-197 service list. PGE waives paper service of documents in this proceeding and has E-filed a copy on this date.

Thank you for your assistance in this matter. If you have any questions or require further information, please call me at (503) 464-7580 or Marc Cody at (503) 464-7434.

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,

Patrick G. Hager  
Manager, Regulatory Affairs

Encls.

cc: Carla Owings, OPUC  
Bob Jenks, CUB  
Melinda Davison, ICNU  
197 Service List [notice only]

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1417

In the Matter of the Application of  
Portland General Electric Company for  
an Order Approving the Deferral of  
Revenues Associated with ROE Refund  
and Sales Normalization Adjustment and  
Lost Revenue Recovery

Application for Reauthorization of  
Deferral of Revenues Associated with  
ROE Refund and Sales Normalization  
Adjustment and Lost Revenue  
Recovery

Pursuant to ORS 757.259 and OAR 860-027-0300, and OPUC Order Nos. 08-169, 09-020 and 09-162, Portland General Electric Company (PGE) hereby requests reauthorization to defer for later rate-making treatment revenues associated with 1) an ROE refund, and 2) a Sales Normalization Adjustment (SNA) and Lost Revenue Recovery mechanism (LRR), implemented through Schedule 123.

I. Deferral History.

In Docket No. UE 197, PGE proposed a SNA and a LRR mechanism. The Commission approved the SNA and LRR mechanisms in Order No. 09-020 subject to the following conditions:

PGE's authorized ROE shall be reduced by ten (10) basis points and PGE should file an application to defer the revenue-requirement effect of this change until it can be reflected in base rates; and

The SNA and LRR mechanisms will terminate two years after the effective date of the approved tariffs unless extended by the Commission. PGE may request an extension of the mechanism or a revised mechanism no later than three months before the scheduled

expiration of the tariffs. To allow a full review of PGE's costs, the Commission may condition extensions of the existing, or a modified, mechanism on the filing of a general rate case.

The original deferral received authorization through Commission Order No. 09-162, on May 6, 2009. PGE requests this reauthorization commence effective February 1, 2010, through January 31, 2011.

## II. OAR 860-027-0300 Requirements

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

### a. Description of Amounts

See Deferral History above. As of the first nine months of 2009, PGE has accrued a refund to customers of approximately \$4 million related to the ROE refund and the SNA.

### b. Reasons for Deferral

PGE seeks reauthorization to defer costs associated with the revenues associated with the SNA and LRR mechanisms and the refund of Return on Equity (Schedule 123). Without the reauthorization, this deferral will expire on January 31, 2010. The continuation of the deferral will minimize the frequency of rate changes or fluctuations pursuant to ORS 757.259(e), or match appropriately the costs borne or by and benefits received by customers. PGE will seek amortization of any deferred amount in a later proceeding. Any costs or benefits associated with the deferral will be considered later for appropriate rate-making treatments in an actual rate-making proceeding.

PGE expects any deferred amount to be recovered or refunded in a manner approved by the Commission and consistent with the terms of Schedule 123.

c. Proposed Accounting

PGE proposes to continue the use of three separate accounts for the ROE refund and the LRR and SNA mechanisms. For the ROE refund, we propose to credit FERC account 229 (Accumulated Provision for Rate Refunds), debiting FERC account 449.1 (Provision for Rate Refunds). For the LRR and SNA accounts, we propose to record the deferred amounts to FERC account 182.3 (Regulatory Assets) if the deferred amount is to be collected from customers or FERC account 254 (Regulatory Liabilities) if the deferred amount is to be refunded to customers. The corresponding debit or credit for the LRR and SNA accounts is to FERC account 456 (Other Revenue). In the absence of a deferred accounting order from the Commission, PGE would record the revenues associated with all three deferred accounts in FERC accounts 440 (Residential Sales), and 442 (Commercial/Industrial Sales). As indicated in Order No. 09-020, the three deferred accounts will accrue interest at the blended Treasury rate. PGE began deferring amounts for the ROE refund, and the SNA and LRR mechanisms as of the effective date of Schedule 123, February 1, 2009.

d. Estimate of Amounts

PGE estimates the deferred amount associated with one change to the authorized ROE to be a credit (refund) of approximately \$1.9 million annually. The amounts to be deferred pursuant to the SNA and LRR mechanisms will be determined as described in Schedule 123 which for the SNA is the difference between actual, weather adjusted usage per customer during the deferral period and the usage per customer projected in UE 197 pursuant to PGE's Schedule 123. The LRR difference is based on energy efficiency savings as reported by the ETO and savings incorporated in the applicable load forecast.

e. Notice

A copy of the notice of application for reauthorization of deferred accounting treatment 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 revenues associated with the refund of Return on Equity, the SNA and the LRR mechanisms (Schedule 123) between February 1, 2010 and January 31, 2011 as described in II(b) above. Without reauthorization this deferral will expire on January 31, 2010.

IV. PGE Contacts

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

Randy Dahlgren  
Rates & Regulatory Affairs  
Portland General Electric,  
1 WTC0702  
121 SW Salmon Street  
Portland, Oregon 97204  
Phone: 503.464.7857  
E-mail: [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)

Douglas C. Tingey  
Assistant General Counsel  
Portland General Electric,  
1 WTC1301  
121 SW Salmon Street  
Portland, Oregon 97204  
Phone: 503.464.8926  
E-mail: [Doug.Tingey@pgn.com](mailto:Doug.Tingey@pgn.com)

PGE waives paper service in this proceeding. In addition to the names and addresses above, the following are to receive notices and communications via the e-mail service list:

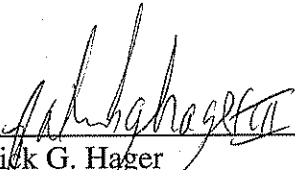
Marc Cody,  
Senior Analyst, Pricing and Tariffs  
E-mail: [Marc.Cody@pgn.com](mailto:Marc.Cody@pgn.com)

Jay Tinker,  
Project Manager, Regulatory Affairs  
E-mail: [Jay.Tinker@pgn.com](mailto:Jay.Tinker@pgn.com)

V. Conclusion

For the reasons stated above, PGE requests permission to continue to defer for later rate-making treatment revenues associated with ROE refund, as well as a SNA and LRR recovery mechanisms.

DATED this 20<sup>th</sup> day of January, 2010



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Patrick G. Hager  
Manager, Regulatory Affairs  
Portland General Electric Company  
121 SW Salmon Street, 1WTC0702  
Portland, OR 97204  
Telephone: 503-464-7580  
Fax: 503-464-7651  
E-Mail: [patrick.hager@pgn.com](mailto:patrick.hager@pgn.com)

## **Attachment A**

Notice of Application for Reauthorization of Deferral of Revenues Associated with  
ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery

**BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON**

**UM 1417**

**In the Matter of the Application of  
Portland General Electric Company for  
an Order Approving the Deferral of  
Revenues Associated with ROE Refund  
and Sales Normalization Adjustment and  
Lost Revenue Recovery**

**Notice of Application for Reauthorization  
of Deferral of Revenues Associated with  
ROE Refund and Sales Normalization  
Adjustment and Lost Revenue Recovery**

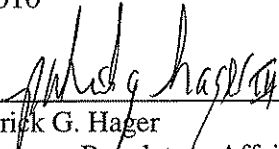
On January 20, 2010, Portland General Electric Company (PGE) filed an Application for Reauthorization of Deferral of Revenues Associated with ROE Refund and Sales Normalization Adjustment and/or Lost Revenue Recovery with the Oregon Public Utility Commission (the "Commission").

Approval for deferred accounting treatment 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 OPUC website.

Any person who wishes to submit written comments to the Commission on PGE's application must do so no later than February 20, 2010.

Dated this 20<sup>th</sup> day of January, 2010

  
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Patrick G. Hager  
Manager, Regulatory Affairs  
Portland General Electric Company  
121 SW Salmon Street, 1WTC0702  
Portland, OR 97204  
Telephone: 503-464-7580  
Fax: 503-464-7651



## CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing Notice of Application for Reauthorization of Deferral of Revenues Associated with ROE Refund and Sales Normalization Adjustment and Lost Revenue Recovery (UM-1417) to be served by Electronic Mail to those parties whose e-mail addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, upon those parties on the attached service list who have not waived paper service from OPUC Docket No. UE 197.

Dated at Portland, Oregon, this January 20, 2010.



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Patrick G. Hager  
Manager, Regulatory Affairs  
Portland General Electric Company  
121 SW Salmon Street, 1WTC0702  
Portland, OR 97204  
Telephone: 503-464-7580  
Fax: 503-464-7651

**Summary Report****UE 197 PORTLAND GENERAL ELECTRIC****Category:** Electric Rate Case**Filed By:** PORTLAND GENERAL ELECTRIC

This filing requests a general rate revision.

**Filing Date:** 2/27/2008 **Advice No:** 08-02**Effective Date:** 1/1/2009 **Expiration Date:** 12/31/2008 **Status:** PERM SUSPEND**See also:** UE 198 08-23**Final Order:** 09-176 **Signed:** 2/27/2008**SERVICE LIST:**

COMMUNITY ACTION PARTNERSHIP OF OREGON  
PO BOX 7964  
SALEM OR 97301

KURT J BOEHM -- CONFIDENTIAL  
BOEHM KURTZ & LOWRY  
36 E SEVENTH ST - STE 1510  
CINCINNATI OH 45202

ROGER D. COLTON -- CONFIDENTIAL  
FISHER SHEEHAN & COLTON  
34 WARWICK RD  
BELMONT MA 02478

JOAN COTE -- CONFIDENTIAL  
OREGON ENERGY COORDINATORS ASSOCIATION  
2585 STATE ST NE  
SALEM OR 97301

JIM DEASON -- CONFIDENTIAL  
ATTORNEY AT LAW  
1 SW COLUMBIA ST, SUITE 1600  
PORTLAND OR 97258-2014

OPUC DOCKETS  
CITIZENS' UTILITY BOARD OF OREGON  
610 SW BROADWAY STE 308  
PORTLAND OR 97205

ROBERT JENKS -- CONFIDENTIAL  
CITIZENS' UTILITY BOARD OF OREGON  
610 SW BROADWAY STE 308  
PORTLAND OR 97205

JUDY JOHNSON -- CONFIDENTIAL  
PUBLIC UTILITY COMMISSION  
PO BOX 2148  
SALEM OR 97308-2148

JASON W JONES -- CONFIDENTIAL  
DEPARTMENT OF JUSTICE  
REGULATED UTILITY & BUSINESS SECTION  
1162 COURT ST NE  
SALEM OR 97301-4096

MICHAEL L KURTZ -- CONFIDENTIAL  
BOEHM KURTZ & LOWRY  
36 E 7TH ST STE 1510  
CINCINNATI OH 45202-4454

G. CATRIONA MCCracken -- CONFIDENTIAL  
CITIZENS' UTILITY BOARD OF OREGON  
610 SW BROADWAY - STE 308  
PORTLAND OR 97205

RATES & REGULATORY AFFAIRS - OPUC FILINGS --  
CONFIDENTIAL  
PORTLAND GENERAL ELECTRIC  
121 SW SALMON ST 1WTC-0702  
PORTLAND OR 97204

KIP PHEIL -- CONFIDENTIAL  
\*OREGON DEPARTMENT OF ENERGY  
625 MARION ST NE - STE 1  
SALEM OR 97301-3737

JANET L PREWITT -- CONFIDENTIAL  
\*DEPARTMENT OF JUSTICE  
NATURAL RESOURCES SECTION  
1162 COURT ST NE  
SALEM OR 97301-4096

**Summary Report**

**UE 197 PORTLAND GENERAL ELECTRIC**

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VIJAY A SATYAL  
\*OREGON DEPARTMENT OF ENERGY  
625 MARION ST NE  
SALEM OR 97301

DOUGLAS C TINGEY -- CONFIDENTIAL  
PORTLAND GENERAL ELECTRIC  
121 SW SALMON 1WTC13  
PORTLAND OR 97204

S BRADLEY VAN CLEVE -- CONFIDENTIAL  
DAVISON VAN CLEVE PC  
333 SW TAYLOR - STE 400  
PORTLAND OR 97204

MICHAEL T WEIRICH -- CONFIDENTIAL  
DEPARTMENT OF JUSTICE  
REGULATED UTILITY & BUSINESS SECTION  
1162 COURT ST NE  
SALEM OR 97301-4096

SCOTT WINKELS -- CONFIDENTIAL  
LEAGUE OF OREGON CITIES  
PO BOX 928  
SALEM OR 97308