



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

November 1, 2018

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

**RE: Advice No. 18-16, Schedule 123 Decoupling Adjustment**

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210 and Oregon Administrative Rules (OARs) 860-022-0025(2) and 860-022-0030 for filing proposed tariff sheets associated with Tariff P.U.C. No. 18, with a requested effective date of **January 1, 2019**:

Thirteenth Revision of Sheet No. 123-3  
Thirteenth Revision of Sheet No. 123-4  
Twelfth Revision of Sheet No. 123-5

The purpose of this filing is to implement in rates the 2017 results of the Sales Normalization Adjustment (SNA) portion of the Schedule 123 Decoupling Adjustment and the Nonresidential Lost Revenue Recovery Adjustment (LRRRA). The proposed 2019 amortization of the sum of the Schedule 7 and 32 SNA, and the LRRRA is a collection from applicable customers of approximately \$14 million. The distribution of this \$14 million is as follows: Schedule 7, a charge of approximately \$15.14 million, Schedule 32, a refund of approximately \$2.27 million, and other applicable schedules a charge of approximately \$1.12 million.

The LRRRA prices are based on the 2017 achieved energy efficiency attributable to Schedule 109 and the 2017 percentages applicable to commercial and industrial customers. The 2017 LRRRA calculation also incorporates the energy efficiency measures installed in 2016. Consistent with OPUC Order 13-459, the LRRRA prices are calculated to apply to only distribution services for those customers who have chosen long-term direct access. In addition, the proposed LRRRA includes the incremental energy savings associated with the conversion to LED streetlighting during 2017 and incorporates the energy savings from the conversions in 2016.

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

PGE estimates that approximately 895,000 (2019 forecast) customers during 2019 will be impacted by this overall \$14.9 million or 0.8% increase in revenues from current Schedule 123 prices. A typical Schedule 7 residential customer consuming 800 kWh monthly will see a \$1.57 increase or 1.6% in their bill because of the proposed increase to current Schedule 123 prices.

To satisfy the requirements of ORS 757.259(6), PGE provides the following responses:

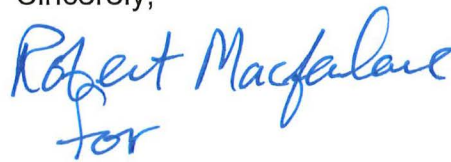
PGE's 2017 annual cycle revenues were approximately \$1,776 million. PGE estimates that PGE's 2019 amortization of deferrals, including the proposed Schedule 123, will be approximately \$29.5 million for 2019. The proposed 2019 amortizations are approximately 1.7% of 2017 revenues. A list of the current and proposed amortizations applicable for 2019 is provided in the work papers.

Work papers detailing the calculation of the proposed prices, and balances for the SNA and LRRRA accounts are enclosed including detailed bill comparisons.

Please direct any questions regarding this filing to Colin Wright at (503) 464-8011.

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

Sincerely,

Handwritten signature of Robert Macfarlane in blue ink, with the word "for" written below it.

Karla Wenzel  
Manager, Pricing & Tariffs

Enclosure(s)

**SCHEDULE 123 (Continued)**

**SNA and LRRR BALANCING ACCOUNTS**

The Company will maintain a separate balancing account for the SNA, applicable to Schedules 7, 32 and 532, and for the Nonresidential LRRR for the remaining applicable nonresidential Schedules. Each balancing account will record over- and under-collections resulting from differences as determined, respectively, by the SNA and LRRR mechanisms. The accounts will accrue interest at the Commission-authorized Modified Blended Treasury Rate established for deferred accounts.

**DECOUPLING ADJUSTMENT**

The Adjustment Rates, applicable for service on and after the effective date of this schedule will be:

| <u>Schedule</u> | <u>Adjustment Rate</u> |     |
|-----------------|------------------------|-----|
| 7               | 0.200 ¢ per kWh        | (I) |
| 15              | 0.021 ¢ per kWh        |     |
| 32              | (0.139) ¢ per kWh      | (R) |
| 38              | 0.021 ¢ per kWh        | (I) |
| 47              | 0.021 ¢ per kWh        |     |
| 49              | 0.021 ¢ per kWh        |     |
| 75              |                        |     |
| Secondary       | 0.021 ¢ per kWh        |     |
| Primary         | 0.021 ¢ per kWh        |     |
| Subtransmission | 0.021 ¢ per kWh        |     |
| 83              | 0.021 ¢ per kWh        |     |
| 85              |                        |     |
| Secondary       | 0.021 ¢ per kWh        |     |
| Primary         | 0.021 ¢ per kWh        |     |
| 89              |                        |     |
| Secondary       | 0.021 ¢ per kWh        |     |
| Primary         | 0.021 ¢ per kWh        |     |
| Subtransmission | 0.021 ¢ per kWh        | (I) |

**SCHEDULE 123 (Continued)**

DECOUPLING ADJUSTMENT (Continued)

| <u>Schedule</u> | <u>Adjustment Rate</u> |     |
|-----------------|------------------------|-----|
| 90              | 0.021 ¢ per kWh        | (I) |
| 91              | 0.021 ¢ per kWh        |     |
| 92              | 0.021 ¢ per kWh        |     |
| 95              | 0.021 ¢ per kWh        |     |
| 485             |                        |     |
| Secondary       | 0.004 ¢ per kWh        |     |
| Primary         | 0.004 ¢ per kWh        |     |
| 489             |                        |     |
| Secondary       | 0.004 ¢ per kWh        |     |
| Primary         | 0.004 ¢ per kWh        |     |
| Subtransmission | 0.004 ¢ per kWh        |     |
| 490             | 0.004 ¢ per kWh        |     |
| 491             | 0.004 ¢ per kWh        |     |
| 492             | 0.004 ¢ per kWh        |     |
| 495             | 0.004 ¢ per kWh        |     |
| 515             | 0.021 ¢ per kWh        |     |
| 532             | (0.139) ¢ per kWh      | (R) |
| 538             | 0.021 ¢ per kWh        | (I) |
| 549             | 0.021 ¢ per kWh        |     |
| 575             |                        |     |
| Secondary       | 0.021 ¢ per kWh        |     |
| Primary         | 0.021 ¢ per kWh        |     |
| Subtransmission | 0.021 ¢ per kWh        |     |
| 583             | 0.021 ¢ per kWh        | (I) |

**SCHEDULE 123 (Continued)**

DECOUPLING ADJUSTMENT (Continued)

| <u>Schedule</u> | <u>Adjustment Rate</u> |
|-----------------|------------------------|
| 585             |                        |
| Secondary       | 0.021 ¢ per kWh        |
| Primary         | 0.021 ¢ per kWh        |
| 589             |                        |
| Secondary       | 0.021 ¢ per kWh        |
| Primary         | 0.021 ¢ per kWh        |
| Subtransmission | 0.021 ¢ per kWh        |
| 590             | 0.021 ¢ per kWh        |
| 591             | 0.021 ¢ per kWh        |
| 592             | 0.021 ¢ per kWh        |
| 595             | 0.021 ¢ per kWh        |

(I)  
|  
(I)

**TIME AND MANNER OF FILING**

Commencing in 2014, the Company will submit to the Commission the following information by November 1 of each year:

1. The proposed price changes to this Schedule to be effective on January 1st of the subsequent year based on a) the amounts in the SNA Balancing Accounts and b) the amount in the LRRR Balancing Account.
2. Revisions to this Schedule which reflect the new proposed prices and supporting work papers detailing the calculation of the new proposed prices and the SNA weather-normalizing adjustments.