

November 13, 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. 18-21 Schedule 102 Regional Power Act Exchange Credit

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

Eleventh Revision of Sheet No. 102-1

The purpose of this filing is to pass through to eligible customers the monetary benefits received from the Bonneville Power Administration (BPA) under the Residential Exchange Program consistent with the provisions of the Residential Exchange Program Settlement Implementation Agreement (REPSIA) Contract No. 11PB-12467. The Commission authorized PGE to execute the REPSIA in Order No. 11-114.

BPA's Final Record of Decision in BP-18, Power and Transmission Rate Proceeding dated July 26, 2017 specifies an annual exchange amount of \$66.9 million in monetary benefits for the approximately 813,000 eligible PGE customers. In July 2018, BPA transferred additional financial amounts, approximately \$28,000, to be disbursed with the rest of the annual exchange amount in 2018. In addition to the \$66.9 million, PGE proposes to pass through an additional \$2.4 million owed to customers from the BPA balancing account during 2019. This \$2.4 million reflects the approximate projected balance in the BPA balancing account at the end of December 2018. The BPA balancing account is projected to be fully amortized by December 2019.

As part of the Public Utility Commission of Oregon (OPUC or Commission) Docket No. UE 335 (PGE's 2019 General Rate Case), PGE proposed a change to the rate structure of Schedule 102. Currently, Schedule 102 is structured so that only the first energy block for Residential Customers (under 1,000 kWh) is eligible for the credit. This filing is the first step in a two-year transition to value all kWh at the same price.

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

As a result of this proposed price change, the approximate 813,000 eligible customers will see a decrease of \$0.5 million in their annual bills. This represents a higher credit to customers relative to the credit contained in current prices. While Residential Customers will experience a decrease overall, a typical Schedule 7 Residential Customer consuming 800 kWh monthly will see a bill increase of approximately \$0.77 or 0.8% due to the adjustment to the blocked prices.

Enclosed are the work papers detailing the Schedule 102 rate development and the balancing account detail along with the detailed bill comparisons.

Please direct any questions regarding this filing to Kalia Savage at (503) 464-7432. Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

Karla Wenzel

Manager, Pricing & Tariffs

Enclosure(s)

# SCHEDULE 102 REGIONAL POWER ACT EXCHANGE\* CREDIT

#### **PURPOSE**

Each Customer's bill rendered under schedules providing Residential Service, Farm Service and Nonresidential Farm Irrigation and Drainage Pumping Service will include the Regional Power Act Exchange Credit applied to each kWh sold when the Customer qualifies for the adjustment according to the definitions and limitations set forth in this schedule. Where Customers are served by Electricity Service Suppliers (ESSs), the ESS will agree to pass through the credit to the Customer

### AVAILABLE

In all territory served by the Company.

## APPLICABLE

To all bills for Direct Access Service, Emergency Default Service, Standard Service and Residential Service where the Customer meets the definition of Residential Service, Farm Service or Farm Irrigation and Drainage Pumping Service as specified in this schedule. Consistent with the requirements of the Bonneville Power Administration (BPA), if, in the course of doing business, a utility discovers that one of its existing Customers is growing Cannabis using power provided by the utility, such customer is not eligible for the Regional Power Act Exchange Credit under this Schedule.

## REGIONAL POWER ACT EXHANGE CREDIT

The credit will be the value of power and other benefits inclusive provided in accordance with the terms of the Settlement Agreement between the Company and the BPA.

The credit inclusive of interest is:

Schedule 7

First 1,000 kWh	(0.922)	¢ per kWh	<b>(I)</b>
Over 1,000 kWh	(0.495)	¢ per kWh	(r) (R)
All other schedules	(0.850)	¢ per kWh	(R)

#### RESIDENTIAL SERVICE

Residential Service means Electricity Service provided for residential purposes including service to master-metered apartments, apartment utility rooms, common areas, and other residential uses.

<sup>\*</sup> Short title for "Pacific Northwest Electric Power Planning and Conservation Act".