



Oregon

Kate Brown, Governor

Public Utility Commission

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December 17, 2019



BY EMAIL

Portland General Electric Company

pge.opuc.filings@pgn.com

RE: Advice No. 19-26

At the public meeting on December 17, 2019, the Commission adopted Staff's recommendation in this matter docketed as ADV 1044. The Staff Report, signed Less Than Statutory Notice Application, and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 17, 2019**

REGULAR CONSENT EFFECTIVE DATE January 1, 2020

DATE: December 10, 2019

TO: Public Utility Commission

FROM: George Compton

THROUGH: Michael Dougherty, JP Batmale, and John Crider **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1044/Advice No.19-26)
Reprices Schedule 110, Energy Efficiency Customer Service, to Eliminate
the Year-end Residual Balance.

STAFF RECOMMENDATION:

Approve Portland General Electric's Advice Filing No. 19-26, to reprice Schedule 110, Energy Efficiency Customer Service, to eliminate the year-end residual balance, with an effective date of January 1, 2020.

DISCUSSION:

Issue

Whether the Commission should approve Portland General Electric's (PGE or "the Company") Advice Filing No. 19-26, which would reprice Schedule 110, Energy Efficiency Customer Service, to eliminate the year-end residual balance.

Applicable Rule or Law

PGE's filing is made under ORS 757.205 and OAR 860-022-0025.

- ORS 757.205 requires that public utilities file all rates, rules, and charges with the Commission.
- OAR 860-022-0025 requires that new tariff filings include statements showing the new rates, the number of customers affected, the impact on annual revenue, and the reasons supporting the proposed tariff.

Analysis

Background

Beginning in 2008, PGE has been funding various customer energy efficiency projects via its Schedule 110. The PGE activities funded under Schedule 110 are in addition to the energy efficiency activities conducted by Energy Trust on behalf of ratepayers. Anna Kim of the Energy, Resources & Planning group of the Commission is charged with monitoring the efficacy of PGE's projects and activities themselves. In addition, PGE makes an annual presentation in June to the Commission on their Schedule 110 activities.

The revenue requirement associated with this schedule is allocated among the rate classes in proportion to their gross base revenues.¹ Annual expenditures are relatively modest—less than 0.07 percent of base revenues for 2019. The regulatory accounting process is to operate a balancing account whereby Schedule 110 revenues are collected, expenses are paid, and the net accumulated difference, or balance,² accrues interest obligations or credits. The Schedule 110 rates are adjusted annually so as to reduce/minimize that balance.

The Application

The application before the Commission, and as revised pursuant to an LSN, is to increase the (already very small)³ Schedule 110 rates by about one-third. The repricing adds about \$275 thousand, or 0.02 percent, to PGE's current revenues.⁴ A typical Schedule 7 Residential customer, consuming about 800 kWh per month, will see a monthly bill increase of \$0.02.⁵

Staff has reviewed and agrees with the tariff figures accompanying the LSN and the underlying, corrected spreadsheet revenue requirement model. The proposed rates serve to get the end-of-year (EOY) accumulated balance as close to zero as possible, subject to rounding. Adopting those rates to the Company spreadsheet revenue requirement model yields an expected ratepayer balancing account under-payment of about \$33 thousand.

¹ PacifiCorp allocates these costs in proportion to the generation portion of base revenues.

² The term "net *accumulated* balances" is to distinguish it from the *annual* differences between *current* income and *current* outgo.

³ For example, the current rate for the residential class is 0.006 cents/kWh.

⁴ See page 1 of the supplemental filing.

⁵ Ibid.

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Conclusion

In recent years, PGE's energy efficiency customer service expenditures have exceeded the revenues collected through Schedule 110. As a correction, and to bring the expected 2020 end-of-year accumulated balance close to zero, the Company has brought forth an appropriate increase in that schedule's rates.

PROPOSED COMMISSION MOTION:

Approve Portland General Electric's Advice Filing No. 19-26, to increase the Schedule 110 Energy Efficiency Customer Service rates so as to eliminate the year-end residual balance, with an effective date of January 1, 2020.

LESS THAN STATUTORY NOTICE APPLICATION

This document may be electronically filed by sending it as an attachment to an electronic mail message addressed to the Commission's Filing Center at puc.filingcenter@state.or.us.

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION OF <u>Portland General Electric Company</u> (UTILITY COMPANY) TO WAIVE STATUTORY NOTICE.)))))	UTILITY L.S.N. APPLICATION NO. <u>2249</u> (LEAVE BLANK)
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NOTE: ATTACH EXHIBIT IF SPACE IS INSUFFICIENT.

1. GENERAL DESCRIPTION OF THE PROPOSED SCHEDULE(S) ADDITION, DELETION, OR CHANGE. (SCHEDULE INCLUDES ALL RATES, TOLLS AND CHARGES FOR SERVICE AND ALL RULES AND REGULATIONS AFFECTING THE SAME)
 PGE initially filed Advice No. 19-26 on November 13, 2019 with a requested effective date of January 1, 2020, which remains as originally filed. PGE is submitting this Supplemental Filing due to a minor error in the balancing account spread sheet.

2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)

Seventh Revision of Sheet No. 110-2
 Seventh Revision of Sheet No. 110-3
 Fifth Revision of Sheet No. 110-4

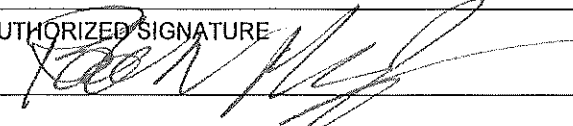
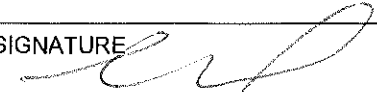
3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM)

Eighth Revision of Sheet No. 110-2
 Eighth Revision of Sheet No. 110-3
 Sixth Revision of Sheet No. 110-4

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:

A Waiver of Statutory Notice is requested due to the requested effective date of January 1, 2020

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S): January 1, 2020

AUTHORIZED SIGNATURE 	TITLE Manager, Pricing & Tariffs	DATE December 9, 2019
PUC USE ONLY		
<input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DENIED	EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE <u>01/01/2020</u>	
AUTHORIZED SIGNATURE 	DATE <u>12/17/19</u>	

SCHEDULE 110 (Continued)

ENERGY EFFICIENCY CUSTOMER SERVICE 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>	(I)
7	0.008 ¢ per kWh	
15	0.016 ¢ per kWh	
32	0.008 ¢ per kWh	
38	0.009 ¢ per kWh	
47	0.013 ¢ per kWh	
49	0.010 ¢ per kWh	
75		
Secondary	0.005 ¢ per kWh	
Primary	0.005 ¢ per kWh	
Subtransmission	0.005 ¢ per kWh	
83	0.006 ¢ per kWh	
85		
Secondary	0.006 ¢ per kWh	
Primary	0.006 ¢ per kWh	
89		
Secondary	0.005 ¢ per kWh	
Primary	0.005 ¢ per kWh	
Subtransmission	0.005 ¢ per kWh	
90	0.005 ¢ per kWh	
91	0.015 ¢ per kWh	
92	0.006 ¢ per kWh	

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James F. Lobdell, Senior Vice President

Effective for service
on and after January 1, 2020

SCHEDULE 110 (Continued)

ENERGY EFFICIENCY CUSTOMER SERVICE ADJUSTMENT (Continued)

	<u>Schedule</u>	<u>Adjustment Rate</u>	
95		0.015 ¢ per kWh	(I)
485			
	Secondary	0.005 ¢ per kWh	
	Primary	0.005 ¢ per kWh	
489			
	Secondary	0.005 ¢ per kWh	
	Primary	0.005 ¢ per kWh	
	Subtransmission	0.005 ¢ per kWh	
490		0.005 ¢ per kWh	
491		0.015 ¢ per kWh	
492		0.006 ¢ per kWh	
495		0.015 ¢ per kWh	
515		0.016 ¢ per kWh	
532		0.008 ¢ per kWh	
538		0.009 ¢ per kWh	
549		0.010 ¢ per kWh	
575			
	Secondary	0.005 ¢ per kWh	
	Primary	0.005 ¢ per kWh	
	Subtransmission	0.005 ¢ per kWh	
583		0.006 ¢ per kWh	(I)

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SCHEDULE 110 (Concluded)

ENERGY EFFICIENCY CUSTOMER SERVICE ADJUSTMENT (Continued)

	<u>Schedule</u>	<u>Adjustment Rate</u>	
585			
	Secondary	0.006 ¢ per kWh	(I)
	Primary	0.006 ¢ per kWh	
589			
	Secondary	0.005 ¢ per kWh	
	Primary	0.005 ¢ per kWh	
	Subtransmission	0.005 ¢ per kWh	
590		0.005 ¢ per kWh	
591		0.015 ¢ per kWh	
592		0.006 ¢ per kWh	
595		0.015 ¢ per kWh	
			(I)

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