

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

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** _____ January 1, 2020

DATE: December 3, 2019

TO: Public Utility Commission

FROM: John Fox

THROUGH: Michael Dougherty and Marianne Gardner **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1046/Advice No. 19-27)
Schedule 143 Spent Fuel Adjustment.

STAFF RECOMMENDATION:

Staff recommends that the Public Utility Commission of Oregon (Commission) approve Portland General Electric's (PGE or Company) request to set the Schedule 143 Spent Fuel Adjustment prices to zero effective January 1, 2020.

DISCUSSION:

Issue

Whether the Commission should approve PGE's request to set the Schedule 143 Spent Fuel Adjustment prices to zero.

Applicable Rule or Law

Filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change. ORS 757.210 and .220; OAR 860-022-0015.

Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025. OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules must include in its filing a statement plainly indicating the increase, decrease, or other change made with the filing, the number of customers affected by the

proposed change and the resulting change in annual revenue; and the reasons or grounds relied upon in support of the proposed change.

Analysis

Under Nuclear Regulatory Commission (NRC) regulations PGE was required to collect money during the operation of its Trojan Nuclear Plant for future decommissioning of the plant. Under NRC regulations, the amounts collected for decommissioning are held in a trust fund administered by an independent third party.

The purpose of Schedule 143 is to amortize into rates excess funds previously collected from ratepayers and contained in the Trojan Nuclear Decommissioning Trust Fund and any ongoing refunds from the United States Department of Energy (DOE) for amounts paid to the Department for spent fuel storage. In the past, PGE has also used Schedule 143 to amortize pollution control tax credits associated with the Independent Spent Fuel Storage Installation at the Trojan nuclear plant.

The Company states in its filing that the funds from DOE for spent fuel storage at the Trojan site were included in customer base rates as an offset to the amount PGE otherwise would have included in rates for decommissioning in PGE's UE 335 general rate case proceeding.

Application of the DOE funds is not readily apparent referring to the Commission's UE 335 order¹ or the underlying stipulation which reduced the net amount in customer rates from \$2.5 million dollars to \$1.9 million dollars. Accordingly, Staff reviewed the data file² and calculations underlying the stipulated amounts to confirm that the funds were applied.

Staff has also determined, via informal inquiry, that approximately \$380 thousand dollars will remain in the Schedule 143 balancing account as of December 31, 2019. The Company plans to transfer this amount to the residual balancing account underlying Schedule 105 Regulatory Adjustments, which is adjusted annually as necessary to recover nonrecurring regulatory adjustments.

Conclusion

Staff finds the funds from DOE for spent fuel storage at the Trojan site were included in customer base rates as stated in the application, and the Company plans to return any

¹ See *In the Matter of PORTLAND GENERAL ELECTRIC COMPANY, Request for a General Rate Revision*, Docket No. UE 335, Order No. 18-464, at 6.

² UE 335_AWEC DR 120_Attach A_CONF.xlsx.

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remaining residual funds to ratepayers through Schedule 105 Regulatory Adjustments. Accordingly, Staff recommends that the Schedule 143 Spent Fuel Adjustment prices be set to zero as requested.

PROPOSED COMMISSION MOTION:

Approve Portland General Electric's request to set the Schedule 143 Spent Fuel Adjustment prices to zero effective January 1, 2020.

ADV 1046 PGE Sch 143 Spent Fuel Adjustment.docx