



Oregon

Kate Brown, Governor

Public Utility Commission

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December 17, 2019



BY EMAIL

Portland General Electric Company

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RE: Advice No. 19-27

At the public meeting on December 17, 2019, the Commission adopted Staff's recommendation in this matter docketed as ADV 1046. The Staff Report 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** 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

**SCHEDULE 143
SPENT FUEL ADJUSTMENT**

PURPOSE

The purpose of this schedule is to implement in rates the amortization of the excess funds previously contained in the Trojan Nuclear Decommissioning Trust Fund and any ongoing refunds from the United States Department of Energy. Also included are pollution control tax credits associated with the Independent Spent Fuel Storage Installation at the Trojan nuclear plant.

APPLICABLE

To all bills for Electricity Service calculated under all schedules and contracts, except those Customers explicitly exempted.

PART A – TROJAN NUCLEAR DECOMMISSIONING TRUST FUND

Part A consists of the amortization of the excess funds previously contained in the Trojan Nuclear Decommissioning Trust Fund and any ongoing refunds from the United States Department of Energy.

PART B – ISFSI ADJUSTMENT

Part B consists of the amortization of the payments from the Oregon Department of Energy related to state pollution control tax credits for the Independent Spent Fuel Storage Installation at Trojan.

ADJUSTMENT RATES

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

	<u>Schedule</u>	<u>Part A</u>	<u>Part B</u>	<u>Adjustment Rate</u>	
7		0.000	0.000	0.000	¢ per kWh
15		0.000	0.000	0.000	¢ per kWh
32		0.000	0.000	0.000	¢ per kWh
38		0.000	0.000	0.000	¢ per kWh
47		0.000	0.000	0.000	¢ per kWh
49		0.000	0.000	0.000	¢ per kWh
75					
	Secondary	0.000	0.000	0.000	¢ per kWh
	Primary	0.000	0.000	0.000	¢ per kWh
	Subtransmission	0.000	0.000	0.000	¢ per kWh

(1) Applicable only to the Baseline and Scheduled Maintenance Energy.

Received by OPUC
Filing Center

11/14/2019

Advice No. 19-27
Issued November 14, 2019
James F. Lobdell, Senior Vice President

Effective for service
on and after January 1, 2020

SCHEDULE 143 (Continued)

ADJUSTMENT RATES (Continued)

	<u>Schedule</u>	<u>Part A</u>	<u>Part B</u>	<u>Adjustment Rate</u>	
83		0.000	0.000	0.000	¢ per kWh
85					
	Secondary	0.000	0.000	0.000	¢ per kWh
	Primary	0.000	0.000	0.000	¢ per kWh
89					
	Secondary	0.000	0.000	0.000	¢ per kWh
	Primary	0.000	0.000	0.000	¢ per kWh
	Subtransmission	0.000	0.000	0.000	¢ per kWh
90		0.000	0.000	0.000	¢ per kWh
91		0.000	0.000	0.000	¢ per kWh
92		0.000	0.000	0.000	¢ per kWh
95		0.000	0.000	0.000	¢ per kWh
485					
	Secondary	0.000	0.000	0.000	¢ per kWh
	Primary	0.000	0.000	0.000	¢ per kWh
489					
	Secondary	0.000	0.000	0.000	¢ per kWh
	Primary	0.000	0.000	0.000	¢ per kWh
	Subtransmission	0.000	0.000	0.000	¢ per kWh
490		0.000	0.000	0.000	¢ per kWh
491		0.000	0.000	0.000	¢ per kWh
492		0.000	0.000	0.000	¢ per kWh
495		0.000	0.000	0.000	¢ per kWh

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SCHEDULE 143 (Concluded)

ADJUSTMENT RATES (Continued)

<u>Schedule</u>	<u>Part A</u>	<u>Part B</u>	<u>Adjustment Rate</u>	
515	0.000	0.000	0.000	¢ per kWh (1)
532	0.000	0.000	0.000	¢ per kWh
538	0.000	0.000	0.000	¢ per kWh
549	0.000	0.000	0.000	¢ per kWh
575				
Secondary	0.000	0.000	0.000	¢ per kWh
Primary	0.000	0.000	0.000	¢ per kWh
Subtransmission	0.000	0.000	0.000	¢ per kWh
583	0.000	0.000	0.000	¢ per kWh
585				
Secondary	0.000	0.000	0.000	¢ per kWh
Primary	0.000	0.000	0.000	¢ per kWh
589				
Secondary	0.000	0.000	0.000	¢ per kWh
Primary	0.000	0.000	0.000	¢ per kWh
Subtransmission	0.000	0.000	0.000	¢ per kWh
590	0.000	0.000	0.000	¢ per kWh
591	0.000	0.000	0.000	¢ per kWh
592	0.000	0.000	0.000	¢ per kWh
595	0.000	0.000	0.000	¢ per kWh (1)

(1) Applicable only to the Baseline and Scheduled Maintenance Energy.

BALANCING ACCOUNT

The Company will maintain balancing accounts to track the difference between the Trojan Nuclear Decommissioning Trust Fund refund, ongoing refunds, and the ISFSI payments and the actual Schedule 143 revenues. This difference will accrue interest at the Commission-authorized rate for deferred accounts.

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