

ITEM NO. CA21

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

REGULAR  CONSENT  EFFECTIVE DATE January 1, 2020

**DATE:** December 6, 2019

**TO:** Public Utility Commission

**FROM:** Ming Peng

**THROUGH:** Mike Dougherty, John Crider, and Matt Muldoon **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. ADV 1065/Advice No. 19-32)  
Proposes modifications to Schedule 105 to reflect changes in  
miscellaneous regulatory adjustments.

**STAFF RECOMMENDATION:**

Staff recommends the Public Utility Commission of Oregon (Commission) approve Portland General Electric's (PGE or Company) proposed Schedule 105 tariff, as described in the Advice filing 19-32, effective on and after January 1, 2020.

**DISCUSSION:**

Issue

Whether the Commission should approve revised Schedule 105.

Applicable Laws

Under ORS 757.259(2), upon application of a utility and after public notice, opportunity for comment and a hearing if any party requests a hearing, the commission by order may authorize deferral of certain amounts for later incorporation in rates. Those amounts include, under ORS 757.259(2)(e), identifiable utility expenses or revenues, the recovery or refund of which the commission finds should be deferred in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne by and benefits received by ratepayers.

OAR 860-022-0025(2) states that each energy utility filing tariffs or schedules changing existing tariffs or schedules shall submit the following information: (a) a statement plainly indicating the increase, decrease, or other change thereby made in existing rates, charges, tolls, or rules and regulations; (b) a statement setting forth the number of customers affected by the proposed change and the resulting change in annual revenue; and (c) a detailed statement setting forth the reasons or grounds relied upon in support of the proposed change.

## Analysis

### *Background*

Schedule 105 Regulatory Adjustments: The purpose of this schedule is to reflect the effects of regulatory adjustments such as net gains from nonrecurring property transactions, and costs associated with the implementation of SB 1149, and miscellaneous nonrecurring items.

In this filing, PGE states that: Schedule 105, Regulatory Adjustments is composed of parts A and B. Part A includes the amortization of repayment of ZIP (Zero Interest Program) Loans<sup>1</sup> over two years, consistent with the Commission directive at the December 20, 2005 public meeting related to PGE Advice No. 05-19. Part A also includes amortization of the four intervenor fund balancing accounts. The Part B price is a refund to applicable customers of approximately \$1,105,000 related to the 2019 deferred Large Nonresidential Load True-up consistent with the provisions of Schedule 128. This amount is spread to applicable large nonresidential customers on an equal cents per kWh basis.

### *Review - Rate Impact of Advice No. 19-32:*

To satisfy the requirements of OARs 860-022-0025(2), PGE provided the following response:

The 2020 revenues resulting from the proposed Schedule 105 prices are credit to customers of approximately \$1.9 million. This represents a decrease of approximately \$4.0 million relative to current Schedule 105 prices. A typical Schedule 7 Residential customer consuming 800 kWh monthly will see a bill decrease of \$0.14, or 0.14%.

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<sup>1</sup> The ZIP loans being amortized in Schedule 105 are loan repayments from customers. The loans themselves were zero interest loans to the customer for energy efficiency measures undertaken by the customers.

To satisfy the requirements of ORS 757.259, PGE provided the following response:

PGE's 2018 annual cycle revenues were approximately \$1,739 million. The sum of PGE's current and proposed 2020 amortization of deferrals including the proposed applicable amortizations in Schedules 105 is approximately \$14.2 million, or 0.8% of 2018 revenues.

### Conclusion

Staff reviewed work papers and detailed bill comparisons combining the impact of all PGE's filings for price changes. Staff discussed the filing and associated work papers with PGE through conference calls on November 26 and December 5, 2019. Staff found that in this filing, PGE complied with OAR 860-022-0025(2), and provided a detailed statement setting forth the reasons or grounds relied upon in support of the proposed change. Staff verified PGE's work paper data, and found the calculations are sufficient and supportive of the Company's filing, and are consistent with past Commission Orders.

The Company has reviewed this memo and has no concerns.

### **PROPOSED COMMISSION MOTION:**

Approve PGE's proposed Schedule 105 tariff, as described in the Advice filing 19-32, effective with service on and after January 1, 2020.

**SCHEDULE 105  
 REGULATORY ADJUSTMENTS**

**PURPOSE**

The purpose of this schedule is to reflect the effects of regulatory adjustments such as net gains from nonrecurring property transactions, and costs associated with the implementation of SB 1149, and miscellaneous nonrecurring items.

**APPLICABLE**

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

**PART A – MISCELLANEOUS ADJUSTMENTS**

Part A will be adjusted annually as necessary to recover nonrecurring Regulatory Adjustments.

**PART B – LARGE NON-RESIDENTIAL LOAD TRUE-UP**

Part B consists of costs associated with the Schedule 128 Large Nonresidential Load Shift True-up after the November annual open enrollment window.

**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	(0.005)	0.000	(0.005)	¢ per kWh
15	(0.020)	0.000	(0.020)	¢ per kWh
32	(0.011)	0.000	(0.011)	¢ per kWh
38	(0.012)	(0.013)	(0.025)	¢ per kWh
47	(0.019)	0.000	(0.019)	¢ per kWh
49	(0.014)	(0.013)	(0.027)	¢ per kWh
75				
Secondary	0.005	(0.013)	(0.008)	¢ per kWh <sup>(1)</sup>
Primary	0.005	(0.013)	(0.008)	¢ per kWh <sup>(1)</sup>
Subtransmission	0.005	(0.013)	(0.008)	¢ per kWh <sup>(1)</sup>

(R)  
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 (R)

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

**Portland General Electric Company**  
**P.U.C. Oregon No. E-18**

**Nineteenth Revision of Sheet No. 105-2**  
**Canceling Eighteenth Revision of Sheet No. 105-2**

**SCHEDULE 105 (Continued)**

ADJUSTMENT RATES (Continued)

Schedule	Part A	Part B	Adjustment Rate	
83	(0.009)	(0.013)	(0.022)	¢ per kWh (R)
85				
Secondary	(0.007)	(0.013)	(0.020)	¢ per kWh
Primary	(0.007)	(0.013)	(0.020)	¢ per kWh
89				
Secondary	0.005	(0.013)	(0.008)	¢ per kWh
Primary	0.005	(0.013)	(0.008)	¢ per kWh
Subtransmission	0.005	(0.013)	(0.008)	¢ per kWh
90	0.006	(0.013)	(0.007)	¢ per kWh
91	(0.020)	(0.013)	(0.033)	¢ per kWh
92	(0.008)	(0.013)	(0.021)	¢ per kWh
95	(0.020)	(0.013)	(0.033)	¢ per kWh
485				
Secondary	(0.002)	0.000	(0.002)	¢ per kWh (R)
Primary	(0.002)	0.000	(0.002)	¢ per kWh
489				
Secondary	0.009	0.000	0.009	¢ per kWh (I)
Primary	0.009	0.000	0.009	¢ per kWh
Subtransmission	0.009	0.000	0.009	¢ per kWh
490	0.009	0.000	0.009	¢ per kWh (I)
491	(0.020)	0.000	(0.020)	¢ per kWh (R)
492	(0.008)	0.000	(0.008)	¢ per kWh
495	(0.020)	0.000	(0.020)	¢ per kWh (R)

**SCHEDULE 105 (Concluded)**

ADJUSTMENT RATES (Continued)

<u>Schedule</u>	<u>Part A</u>	<u>Part B</u>	<u>Adjustment Rate</u>		
515	(0.020)	0.000	(0.020)	¢ per kWh	(R)
532	(0.011)	0.000	(0.011)	¢ per kWh	
538	(0.012)	(0.013)	(0.025)	¢ per kWh	
549	(0.014)	(0.013)	(0.027)	¢ per kWh	
575					
Secondary	0.005	(0.013)	(0.008)	¢ per kWh <sup>(1)</sup>	
Primary	0.005	(0.013)	(0.008)	¢ per kWh <sup>(1)</sup>	
Subtransmission	0.005	(0.013)	(0.008)	¢ per kWh <sup>(1)</sup>	
583	(0.009)	(0.013)	(0.022)	¢ per kWh	
585					
Secondary	(0.007)	(0.013)	(0.020)	¢ per kWh	
Primary	(0.007)	(0.013)	(0.020)	¢ per kWh	
589					
Secondary	0.005	(0.013)	(0.008)	¢ per kWh	
Primary	0.005	(0.013)	(0.008)	¢ per kWh	
Subtransmission	0.005	(0.013)	(0.008)	¢ per kWh	
590	0.006	(0.013)	(0.007)	¢ per kWh	
591	(0.020)	(0.013)	(0.033)	¢ per kWh	
592	(0.008)	(0.013)	(0.021)	¢ per kWh	
595	(0.020)	(0.013)	(0.033)	¢ per kWh	

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