



Oregon

Kate Brown, Governor

Public Utility Commission

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October 20, 2020



BY EMAIL

Portland General Electric Company

Pge.opuc.filings@pgn.com

RE: Advice No. 20-29

At the public meeting on October 20, 2020, the Commission adopted Staff's recommendation in this matter docketed as ADV 1188. The Staff Report, a receipted copy of the sheets in your advice filing, and the signed LSN 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: October 20, 2020**

REGULAR **CONSENT** **EFFECTIVE DATE** October 21, 2020

DATE: October 9, 2020

TO: Public Utility Commission

FROM: Sabrina Soldavini

THROUGH: Bryan Conway and John Crider **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1188/Advice No. 20-29)
Updates Schedule 125 language, allowing PGE to finalize 2021 planned maintenance outages for West Side hydro facilities in November 6, 2020, Net Variable Power Cost Update.

STAFF RECOMMENDATION:

Staff recommends the Public Utility Commission of Oregon (Commission) approve Portland General Electric's (PGE or Company) Advice No. 20-29, which modifies the language of Schedule 125, allowing PGE to finalize 2021 planned maintenance outages for its West Side hydro facilities in its November 6, 2020, Net Variable Power Cost (NVPC) Update, effective for service on and after October 21, 2020, on less than statutory notice (LSN).

DISCUSSION:

Issue

Whether the Commission should approve PGE's Advice No. 20-29, which modifies the language of Schedule 125, allowing PGE to finalize 2021 planned maintenance outages for West Side hydro facilities in its November 6, 2020, Net Variable Power Cost Update, effective for service on and after October 21, 2020, on less than statutory notice.

Applicable Law

The Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. See ORS 757.210. Tariff revisions may be made by filing revised sheets

with the information required under the Commission's administrative rules, including OAR 860-022-0025. 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. See ORS 757.220; OAR 860-022-0020. The Commission may approve tariff changes on less than 30 days' notice for good cause shown. *Id.*

Analysis

Background

On September 22, 2020, PGE alerted parties to Docket No. UE 377 that as a result of the recent wildfires in the state, the Company would need additional time to finalize the 2021 planned maintenance outages for its West Side hydro facilities. Currently, Schedule 125, Annual Power Cost Update, states that "[o]n or before October 1st of each calendar year, the Company will file updated estimates of planned maintenance outages..."¹

However, PGE noted in its discussions with parties that it needed approximately four additional weeks to assess any damage to its West Side Hydro facilities from the wildfires and to finalize planned maintenance schedules for 2021. The affected facilities include Faraday and Oak Grove on the Clackamas River, the Harriet and Timothy Lake powerhouses, as well as the Stone Creek hydro facility owned by Eugene Water and Electric Board (EWEB), which is under a power purchase agreement with PGE.

After discussion, the parties agreed that given the extent of the recent wildfires, an acceptable resolution would be to allow PGE a one-time extension to update the planned maintenance outages of its West Side hydro facilities in its November 6, 2020, NVPC update. As Schedule 125 explicitly lists the date for final updates to planned maintenance outages, a tariff change is necessary to implement this agreement between the parties. All other planned maintenance outages are still to be finalized in the Company's October 1, 2020, NVPC filing.

On September 28, 2020, the Company filed Tariff Advice No. 20-29, requesting that the Schedule 125 language be modified to state that "[o]n November 6, 2020, for one-time only and due to extraordinary wildfire events in the state of Oregon, the Company will file updated estimates with final planned maintenance outages for the following hydro facilities: Faraday, Oak Grove, Harriet Lake, Timothy Lake, and Stone Creek."

Review

Staff has reviewed the Company's proposed tariff modification. Staff ensured that the proposed modifications accurately capture the agreement between the UE 377 parties.

¹ PGE Schedule 125, Sheet No. 125-2.

In light of the extraordinary impacts of recent wildfires, Staff finds that the proposed changes are justified.

Following Staff's review of the changes, Staff recommends approval of the proposed tariff changes. Staff further finds that the proposed tariff is just and reasonable.

Staff notes that this is a one-time, temporary change, and the Company must submit another advice filing to the Commission to revert the tariff back to its current language before October 1, 2021.

Conclusion

Based on review of the filing, Staff concludes that the proposed changes to the Schedule 125 tariff sheets are in the public interest and should be approved, on less than statutory notice.

PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 20-29, which modifies the language of Schedule 125, allowing PGE to finalize 2021 planned maintenance outages for its West Side hydro facilities in its November 6, 2020, Net Variable Power Cost Update, effective for service on and after October 21, 2020, on less than statutory notice.

SCHEDULE 125 (Continued)

CHANGES IN NET VARIABLE POWER COSTS

Changes in NVPC for purposes of rate determination under this schedule are the projected NVPC as determined in the Annual Power Cost Update less the NVPC revenues that would occur at the NVPC prices determined in the Company's most recent general rate case, adjusted for a revenue sensitive cost factor of 1.0320.

FILING AND EFFECTIVE DATE

On or before April 1st of each calendar year, the Company will file estimates of the adjustments to its NVPC to be effective on January 1st of the following calendar year.

On or before October 1st of each calendar year, the Company will file updated estimates with final planned maintenance outages, final load forecast, updated projections of gas and electric prices, power, and fuel contracts.

On November 6, 2020, for one-time only and due to extraordinary wildfire events in the state of Oregon, the Company will file updated estimates with final planned maintenance outages for the following hydro facilities: Faraday, Oak Grove, Harriet Lake, Timothy Lake, and Stone Creek.

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On November 15th, the Company will file the final estimate of NVPC and will calculate and file the final change in NVPC to be effective on the next January 1st with: 1) projected market electric and fuel prices based on the average of the Company's internally generated projections made during the period November 1st through November 7th, 2) load reductions from the October update resulting from additional participation in the Company's Long-Term Cost of Service Opt-out that occurs in September, 3) new market power and fuel contracts entered into since the previous updates, and 4) the final planned maintenance outages and load forecast from the October 1st filing.

RATE ADJUSTMENT

The rate adjustment will be based on the Adjusted NVPC less the NVPC revenues that would occur at the NVPC prices determined in the Company's most recent general rate case applied to forecast loads used to determine changes in Net Variable Power Costs. NVPC prices are defined as the price component that recovers the level of NVPC from the Company's most recent general rate case contained in each Schedule's Cost of Service energy prices.

Received

LESS THAN STATUTORY NOTICE APPLICATION

ADV 1188

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) UTILITY L.S.N. APPLICATION
Portland General Electric Company) NO. 2269
(UTILITY COMPANY)) (LEAVE BLANK)
TO WAIVE STATUTORY NOTICE.)

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 proposes to update Schedule 125 to allow a one-time extension to finalizing the 2021 planned maintenance outages for certain Hydro facilities in PGE's November 6, 2020 Net Variable Power Cost forecast filing. This proposed extension is made due to wildfire impacts to PGE's West Side Hydro facilities located on Clackamas River (Faraday, Oak Grove), and Harriet Lake and Timothy Lake powerhouses. In addition, the Stone Creek hydro facility owned by EWEB and under a power purchase agreement with PGE was impacted by wildfire. Parties to Docket No. UE 377 held discussions and reached an agreed-upon approach involving updating Schedule 125 to allow PGE to provide a final estimate for the 2021 planned maintenance outages of the hydro facilities mentioned above in the November 6, 2020 NVPC forecast filing.

2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)
Thirteenth Revision of Sheet No. 125-2

3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM)
Fourteenth Revision of Sheet No. 125-2

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:
A Waiver of Statutory Notice is requested due to the requested effective date of October 21, 2020

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S): October 21, 2020

AUTHORIZED SIGNATURE	TITLE \\s\ Robert Macfarlane Manager, Pricing & Tariffs	DATE September 28, 2020
PUC USE ONLY		
<input type="checkbox"/> APPROVED <input type="checkbox"/> DENIED	EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE <u>October 21, 2020</u>	
AUTHORIZED SIGNATURE 		DATE <u>10/20/20</u>