



Oregon

Kate Brown, Governor

Public Utility Commission

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December 14, 2021



BY EMAIL

Portland General Electric Company

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RE: Advice No. 21-32

At the public meeting on December 14, 2021, the Commission adopted Staff's recommendation in this matter docketed as ADV 1333. 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

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**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 14, 2021**

REGULAR CONSENT EFFECTIVE DATE January 1, 2022

DATE: December 7, 2021

TO: Public Utility Commission

FROM: Ryan Bain

THROUGH: Bryan Conway, Caroline Moore, and Scott Gibbens **SIGNED**

SUBJECT: Portland General Electric:
(Docket No. ADV 1333/ Advice No. 21-32)
Update to the Schedule 102 Residential Exchange Credit.

STAFF RECOMMENDATION:

Approve Portland General Electric's (PGE or Company) Advice No. 21-32, which updates Schedule 102 Regional Power Act Exchange Credit, for service rendered on and after January 1, 2022.

DISCUSSION:

Issue

Whether the Commission should approve PGE's proposed revisions to the Regional Power Act Exchange Credit in Schedule 102.

Applicable Rule

Under ORS 757.205(1), a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time. The Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. ORS 757.210. Tariff revisions or corrections may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0005 and OAR 860-022-0025. Filings that make 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 changes. ORS 757.220.

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.

In addition, the tariff relates to monetary benefits received from Bonneville Power Administration (BPA) under the Residential Exchange Program (REP) pursuant to Section 5(c) of the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act). ORS 757.663 provides the Commission authority to require electric companies to enter into contracts with BPA to retain such benefits for customers. BPA and PGE are operating under the terms of Contract No. 11PB-12467 that was previously approved by the Commission in Order No. 11-114.

Analysis

PGE filed Advice No. 21-32 on November 8, 2021, to update Schedule 102 reflecting an update in REP credits to be distributed to residential, farm, nonresidential farm irrigation, and drainage pumping customers. BPA updated REP rates for the 2022 fiscal year; the update increased PGE's annual monetary benefits by approximately \$4 million. PGE also proposes to pass an additional \$0.03 million REC payment from BPA to customers in 2022. This filing updates Schedule 102 rates to pass those credits, less a projected 2021 year-end \$8.5 million in the BPA balancing account, through to customers and to reflect PGE's updated load forecast.¹

As a first step to compute Schedule 102 rates, PGE sums the rate year's BPA benefit with the funds remaining in the BPA balancing account and then divides by the rate year's eligible load. The revised tariff provides a credit of \$0.00676 per kWh, which is the proposed rate for all eligible schedules. This is a reduction in credit from the current \$0.00768 per kWh due to the projected increase in load and the amortization of the existing overpayment balance in the BPA account. The BPA balancing account is expected to be fully amortized by December 2022.

It should be noted that the calculated impacts, cited in the conclusion below, contained in the initial filing were incorrect, but do not affect the prices contained in the tariff schedule. PGE filed an update to their workpapers on December 6, 2021, with properly calculated impacts from this filing. Staff reviewed PGE's workpapers and analyses and confirmed that the proposed Schedule 102 rates are properly computed.

¹ No deferral is needed in support of this balancing account, given the Northwest Power Act's requirement to pass through directly such benefits to customers. See *In re Portland General Electric*, OPUC Docket No. UM 1986, Order No. 19-020 (Jan. 15, 2019).

Conclusion

The Company is proposing to decrease customers' per kWh BPA credits, which will increase customers' bills. As a result of the proposed tariff revisions, a typical Schedule 7 residential customer consuming 780 kWh a month will see a bill increase of approximately \$0.74 or 0.69 percent. Staff reviewed PGE's workpapers and confirmed that the proposed Schedule 102 rates are properly computed.

PROPOSED COMMISSION MOTION:

Approve Portland General Electric's Advice No. 21-32, which updates Schedule 102 Residential Exchange Credit, for service rendered on and after January 1, 2022.

**SCHEDULE 102
REGIONAL POWER ACT EXCHANGE* CREDIT**

PURPOSE

Each Customer's bill rendered under schedules providing Residential Service, Farm Service and Nonresidential Farm Irrigation and Drainage Pumping Service will include the Regional Power Act Exchange Credit applied to each kWh sold when the Customer qualifies for the adjustment according to the definitions and limitations set forth in this schedule. Where Customers are served by Electricity Service Suppliers (ESSs), the ESS will agree to pass through the credit to the Customer.

AVAILABLE

In all territory served by the Company.

APPLICABLE

To all bills for Direct Access Service, Emergency Default Service, Standard Service and Residential Service where the Customer meets the definition of Residential Service, Farm Service or Farm Irrigation and Drainage Pumping Service as specified in this schedule. Consistent with the requirements of the Bonneville Power Administration (BPA), if, in the course of doing business, a utility discovers that one of its existing Customers is growing Cannabis using power provided by the utility, such customer is not eligible for the Regional Power Act Exchange Credit under this Schedule.

REGIONAL POWER ACT EXCHANGE CREDIT

The credit will be the value of power and other benefits inclusive provided in accordance with the terms of the Settlement Agreement between the Company and the BPA.

The credit inclusive of interest is:

All schedules (0.676) ¢ per kWh (R)

RESIDENTIAL SERVICE

Residential Service means Electricity Service provided for residential purposes including service to master-metered apartments, apartment utility rooms, common areas, and other residential uses.

* Short title for "Pacific Northwest Electric Power Planning and Conservation Act".