



**Portland General Electric**  
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portlandgeneral.com

March 29, 2024

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street, S.E.  
P.O. Box 1088  
Salem, OR 97308-1088

**RE: Supplemental Filing of Advice No. 24-01, Schedule 123 Decoupling Adjustment**

Portland General Electric Company (PGE) submits this supplemental filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210 and Oregon Administrative Rule (OAR) 860-022-0025(2) for filing proposed tariff sheets associated with Tariff P.U.C. No. 19. PGE initially filed Advice No. 24-01 on January 26, 2024, with a requested effective date of April 1, 2024.

PGE is submitting this Supplemental Filing pursuant to the March 8, 2024 status conference with Staff and Stakeholders. At the conference PGE agreed to extend the requested effective date from April 1, 2024 to May 1, 2024. However, PGE is requesting to extend the effective date to July 1, 2024. PGE is also including in this filing language to the Special Conditions, that excludes Residential Customers enrolled in PGE's Income Bill Discount Program from a decoupling charge if the decoupling results, results in an under-collection.

Enclosed are the following replacement sheets.

First Revision of Sheet No. 123-1  
First Revision of Sheet No. 123-2  
First Revision of Sheet No. 123-3  
First Revision of Sheet No. 123-4

PGE withdraws the following Sheet due to pagination:

Original Sheet No. 123-5

Based on the effective date requested, the tariff would be in effect for a partial year in 2024. PGE would prorate the year using the same methodology it used for the 2022 partial accrual year. PGE looks forward to working with Staff and Stakeholders as Parties review PGE's decoupling advice filing.

A courtesy redline version is provided as Attachment A.

To satisfy the requirements of OAR 860-022-0025(2). PGE provides the following response:

The proposed changes do not increase, decrease, or otherwise change existing rates or impact revenues at this time.

Please direct any questions regarding this filing to Chris Pleasant at [christopher.pleasant@pgn.com](mailto:christopher.pleasant@pgn.com) Please direct all formal correspondence and requests to the following email address [pgc.opuc.filings@pgn.com](mailto:pgc.opuc.filings@pgn.com)

Sincerely,

*\s\ Robert Macfarlane*

Robert Macfarlane  
Manager, Pricing & Tariffs

Enclosure

**SCHEDULE 123  
DECOUPLING ADJUSTMENT**

**PURPOSE**

This Schedule establishes balancing accounts and rate adjustment mechanisms to track and mitigate a portion of the transmission, distribution and fixed generation revenue variations caused by weather-normalized variations in applicable Customer Energy usage. The intent of weather normalization is to remove the impacts of actual weather on Customer usage in this mechanism.

(C)  
|  
(C)

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

To all Residential Customers and Nonresidential Customers who receive service under Schedules 32, 38, 532 and 538 located within the Company’s service territory.

(C)  
(C)  
(D)

**SALES NORMALIZATION ADJUSTMENT (SNA)**

The SNA reconciles on a monthly basis, differences between:

a) the monthly revenues resulting from applying distribution, transmission and fixed generation charges (Fixed Charge Energy Rate) to weather-normalized kWh Energy sales; and

b) the Fixed Charge Revenues that would be collected by applying the Monthly Fixed Charge per Customer to the numbers of active Customers for each applicable SNA rate schedule, respectively, for each month. For Schedule 7, a Secondary Fixed Charge equal to 72% of the Monthly Fixed Charge will be used to calculate Fixed Charge Revenues for actual customer counts that exceed the projected customer counts used to establish base rates in a general rate review.

(C)

The SNA will calculate monthly as the Fixed Charge Revenue less actual revenues and will accrue to the SNA Balancing Account. The monthly amount accrued may be positive (an under-collection) or negative (an over-collection). The SNA is divided into sub-accounts so that net accruals for each rate schedule will track separately.

(M)

The SNA is applicable to the following rate schedules:

<u>Schedule</u>	<u>Fixed Charge Energy Rate</u> (¢ per kWh)	<u>Monthly Fixed Charge</u>	<u>Monthly Secondary Fixed Charge</u>
7	10.430	\$82.69	\$59.54
32	8.915	\$120.47	
38	11.331	\$756.19	

(C)  
|  
(C) (M)

**SCHEDULE 123 (Continued)**

**SNA BALANCING ACCOUNT**

(D)(M)  
(C)

The Company will maintain a balancing account for the SNA applicable rate schedules. The balancing account will record over- and under-collections resulting from differences as determined, by the SNA mechanism. The account will accrue interest at the Commission-authorized Modified Blended Treasury Rate established for deferred accounts.

(C)  
|  
(C)

**DECOUPLING ADJUSTMENT**

The following adjustments amortize balances associated with the Company's previously approved mechanism that was discontinued in UE 394. After 2024, only Schedules 7, 32, and 38 will appear below. The Adjustment Rates, applicable for service on and after the effective date of this schedule will be:

(C)  
|  
(C)

<u>Schedule</u>	<u>Adjustment Rate</u>
7	(0.014) ¢ per kWh
15/515	0.062 ¢ per kWh
32/532	0.212 ¢ per kWh
38/538	0.062 ¢ per kWh
47	0.062 ¢ per kWh
49/549	0.062 ¢ per kWh
75/575	
Secondary	0.062 ¢ per kWh
Primary	0.062 ¢ per kWh
Subtransmission	0.062 ¢ per kWh
83/583	0.026 ¢ per kWh
85/585	
Secondary	0.062 ¢ per kWh
Primary	0.062 ¢ per kWh
89/589	
Secondary	0.062 ¢ per kWh
Primary	0.062 ¢ per kWh
Subtransmission	0.062 ¢ per kWh
90/590	
Primary	0.062 ¢ per kWh
Subtransmission	0.062 ¢ per kWh
91/591	0.062 ¢ per kWh
92/592	0.062 ¢ per kWh
95/595	0.062 ¢ per kWh

(M)

**SCHEDULE 123 (Continued)**

DECOUPLING ADJUSTMENT (Continued)

	<u>Schedule</u>	<u>Adjustment Rate</u>
485		
	Secondary	0.013 ¢ per kWh
	Primary	0.013 ¢ per kWh
489		
	Secondary	0.013 ¢ per kWh
	Primary	0.013 ¢ per kWh
	Subtransmission	0.013 ¢ per kWh
490		
	Primary	0.013 ¢ per kWh
	Subtransmission	0.013 ¢ per kWh
491		0.013 ¢ per kWh
492		0.013 ¢ per kWh
495		0.013 ¢ per kWh
689		
	Secondary	0.013 ¢ per kWh
	Primary	0.013 ¢ per kWh
	Subtransmission	0.013 ¢ per kWh

**TIME AND MANNER OF FILING**

Commencing in 2025, the Company will submit to the Commission the following information by March 1 of each year:

1. The proposed price changes to this Schedule to be effective on May 1st based on the amounts in the SNA Balancing Account.
2. Revisions to this Schedule which reflect the new proposed prices and supporting work papers detailing the calculation of the new proposed prices and the SNA weather-normalizing adjustments.

(D)  
(M)

(C)  
(C)

(C)  
(C)

(M)

**SCHEDULE 123 (Concluded)**

(T)

**SPECIAL CONDITIONS**

(M)

1. The Fixed Charge Energy Rate, and Monthly Fixed Charge per Customer will be updated concurrently with a change in the applicable base revenues used to determine the rates. (C)  
(C)
2. Weather-normalized energy usage by applicable rate schedule will be determined in a manner equivalent to that used for determining the forecasted loads used to establish base rates.
3. No revision to the SNA Adjustment Rate will result in an estimated average annual rate increase or decrease greater than 3% to the applicable SNA rate schedule, based on the net rates in effect on the effective date of the Schedule 123 rate revisions. If the amount of the proposed rate revision exceeds the 3% limit, only a 3% rate increase or decrease will be proposed. Any remaining amount in the SNA Balancing Account will be carried over to the following year(s). Balances carried forward continue to carry forward until they are amortized through this schedule. (C)  
(D)  
(N)
4. If the residential decoupling mechanism results in an under collection and there is a charge to residential customers, customers enrolled in the Income Qualified Bill Discount Program will be excluded from the decoupling charge. If the residential decoupling mechanism results in an over collection and there is a refund to residential customers all residential customers will receive a refund. (N)
5. The SNA mechanism will terminate on December 31, 2025. Balances accrued up to that point will be subject to subsequent adjustment. (C)

(M)

Supplemental Filing of Advice No. 24-01  
Schedule 123 Decoupling Adjustment

Attachment A

## SCHEDULE 123 DECOUPLING ADJUSTMENT

### PURPOSE

This Schedule establishes balancing accounts and rate adjustment mechanisms to track and mitigate a portion of the transmission, distribution and fixed generation revenue variations caused by weather-normalized variations in applicable Customer Energy usage. The intent of weather normalization is to remove the impacts of actual weather on Customer usage in this mechanism.

### AVAILABLE

In all territory served by the Company.

### APPLICABLE

To all Residential Customers and Nonresidential Customers who receive service under Schedules 32, 38, 532 and 538 located within the Company's service territory ~~except those Nonresidential Customers whose load exceeded one aMW at a Service Point (SP) during the prior calendar year or those Nonresidential Customers qualifying as a Self-Directing Customer. Customers so exempted will not be charged the prices contained in this schedule.~~

### DEFINITIONS

~~For the purposes of this tariff, the following definition will apply:~~

~~Energy Efficiency Measures (EEMs) — Actions that enable customers to reduce energy use. EEMs can be behavioral or equipment-related.~~

~~Self-Directing Customer (SDC) — Pursuant to OAR 860-038-0480, to qualify to be a SDC, the Large Nonresidential Customer must have a load that exceeds one aMW at a Site as defined in Rule B and receive certification from the Oregon Department of Energy as an SDC.~~

### SALES NORMALIZATION ADJUSTMENT (SNA)

The SNA reconciles on a monthly basis, differences between:

a) the monthly revenues resulting from applying distribution, transmission and fixed generation charges (Fixed Charge Energy Rate) to weather-normalized kWh Energy sales; and

b) the Fixed Charge Revenues that would be collected by applying the Monthly Fixed Charge per Customer to the numbers of active Customers for each applicable SNA rate schedule, respectively, for each month. For Schedule 7, a Secondary Fixed Charge equal to 6972% of the Monthly Fixed Charge will be used to calculate Fixed Charge Revenues for actual customer counts that exceed the projected customer counts used to establish base rates in a general rate review.



**SCHEDULE 123 (Continued)**

**SALES NORMALIZATION ADJUSTMENT (SNA) (Continued)**

The SNA will calculate monthly as the Fixed Charge Revenue less actual revenues and will accrue to the SNA Balancing Account. The monthly amount accrued may be positive (an under-collection) or negative (an over-collection). The SNA is divided into sub-accounts so that net accruals for each rate schedule will track separately.

The SNA is applicable to the following rate schedules:

<u>Schedule</u>	<u>Fixed Charge Energy Rate</u> (¢ per kWh)	<u>Monthly Fixed Charge</u>	<u>Monthly Secondary Fixed Charge</u>
7	8.870 <u>10.430</u>	\$71.45 <u>82.69</u>	\$49.30 <u>59.54</u>
32	7.693 <u>8.915</u>	\$111.66 <u>120.47</u>	
83* <u>38</u>	3.790 <u>11.331</u>	\$790.34 <u>756.19</u>	

\*Applicable beginning in 2019. The Fixed Charge Energy Rate for Schedule 83 includes fixed generation charges only.

**NONRESIDENTIAL LOST REVENUE RECOVERY ADJUSTMENT (LRRA)**

The Nonresidential Lost Revenue Recovery Adjustment is applicable to all customers except those served under Schedules 7, 32, 83 (starting in 2019), and 532 or as otherwise exempted above. Nonresidential Lost Revenue Recovery amounts will be equal to the reduction in distribution, transmission, and fixed generation revenues due to the reduction in kWh sales as reported to the Company by the Energy Trust of Oregon, resulting from EEMs implemented during prior calendar years attributable to EEM funding incremental to Schedule 108, adjusted for EEM program kWh savings incorporated into the test year load forecast used to determine base rates. Also included are differences in actual energy savings from a test year forecast associated with the conversion to LED streetlighting in Schedule 95 reported by the Company. When base rates are adjusted in the future as a result of a general rate review, the test year load forecast used to determine new base rates will reflect all energy efficiency kWh savings that have been previously achieved. The cumulative kWh savings are eligible for Lost Revenue Recovery until new base rates are established as a result of a general rate review; the kWh base is then reset to equal the amount of kWh savings that accrue from EEMs following an adjustment in base rates.

The Lost Revenue Recovery Adjustment may be positive or negative. A negative Lost Revenue Recovery Adjustment for a given test year will occur if kWh savings reported by the Energy Trust of Oregon, plus the energy savings associated with the conversion to LED streetlighting in Schedule 95, are less than those estimated in setting base rates. A positive Lost Revenue Recovery Adjustment for a given test year will occur if kWh savings reported by the Energy Trust of Oregon, plus the energy savings associated with the conversion to LED streetlighting in Schedule 95, are greater than those estimated for the test year in setting base rates. The LRRA for each year subsequent to the test year will incorporate incremental kWh savings reported by the Energy Trust of Oregon for that year.

### SCHEDULE 123 (Continued)

#### ~~NONRESIDENTIAL LOST REVENUE RECOVERY ADJUSTMENT (LRRRA) (Continued)~~

~~For the purposes of this Schedule, the Lost Revenue Recovery Adjustment is the product of: (1) the reduction in kWh sales resulting from ETO reported EEMs plus the energy savings associated with the conversion to LED streetlighting in Schedule 95, and (2) the weighted average of applicable retail base rates (the Lost Revenue Rate). Applicable base rates for Nonresidential Customers are defined as the schedule-weighted average of transmission, distribution, and fixed generation charges; including those contained in Schedule 122 and other applicable schedules. System usage or distribution charges will be adjusted to include only the recovery of Trojan Decommissioning expenses and the Customer Impact Offset. Franchise fee recovery is not included in the Lost Revenue Rate. The applicable Lost Revenue Rate is 5.548 cents per kWh.~~

#### ~~SNA and LRRRA BALANCING ACCOUNTS~~

The Company will maintain a ~~separate~~ balancing account for the SNA applicable rate schedules ~~and for the Nonresidential LRRRA applicable rate schedules~~. ~~Each~~The balancing account will record over- and under-collections resulting from differences as determined, ~~respectively~~, by the SNA ~~and LRRRA~~ mechanisms. The accounts will accrue interest at the Commission-authorized Modified Blended Treasury Rate established for deferred accounts.

#### DECOUPLING ADJUSTMENT

The following adjustments amortize balances associated with the Company's previously approved mechanism that was discontinued in UE 394. After 2024, only Schedules 7, 32, and 38 will appear below. The Adjustment Rates, applicable for service on and after the effective date of this schedule will be:

<u>Schedule</u>	<u>Adjustment Rate</u>
7	(0.014) ¢ per kWh
15/515	0.062 ¢ per kWh
32/532	0.212 ¢ per kWh
38/538	0.062 ¢ per kWh
47	0.062 ¢ per kWh
49/549	0.062 ¢ per kWh
75/575	
Secondary	0.062 ¢ per kWh
Primary	0.062 ¢ per kWh
Subtransmission	0.062 ¢ per kWh
83/583	0.026 ¢ per kWh

**SCHEDULE 123 (Continued)**

DECOUPLING ADJUSTMENT (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>
85/585	
Secondary	0.062 ¢ per kWh
Primary	0.062 ¢ per kWh
89/589	
Secondary	0.062 ¢ per kWh
Primary	0.062 ¢ per kWh
Subtransmission	0.062 ¢ per kWh
90/590	
Primary	0.062 ¢ per kWh
Subtransmission	0.062 ¢ per kWh
91/591	0.062 ¢ per kWh
92/592	0.062 ¢ per kWh
95/595	0.062 ¢ per kWh
485	
Secondary	0.013 ¢ per kWh
Primary	0.013 ¢ per kWh
489	
Secondary	0.013 ¢ per kWh
Primary	0.013 ¢ per kWh
Subtransmission	0.013 ¢ per kWh
490	
Primary	0.013 ¢ per kWh
Subtransmission	0.013 ¢ per kWh
491	0.013 ¢ per kWh
492	0.013 ¢ per kWh
495	0.013 ¢ per kWh
689	
Secondary	0.013 ¢ per kWh
Primary	0.013 ¢ per kWh
Subtransmission	0.013 ¢ per kWh

**TIME AND MANNER OF FILING**

Commencing in ~~2014~~2025, the Company will submit to the Commission the following information by ~~November~~March 1 of each year:

### SCHEDULE 123 (Concluded)

#### ~~TIME AND MANNER OF FILING (Continued)~~

1. The proposed price changes to this Schedule to be effective on ~~January-May~~1st ~~of the subsequent year~~ based on ~~a)~~ the amounts in the SNA Balancing Accounts ~~and b)~~ the amount in the LRRR Balancing Account.
2. Revisions to this Schedule which reflect the new proposed prices and supporting work papers detailing the calculation of the new proposed prices and the SNA weather-normalizing adjustments.

#### SPECIAL CONDITIONS

1. The Fixed Charge Energy Rate, and Monthly Fixed Charge per Customer ~~and the Lost Revenue Rate~~ will be updated concurrently with a change in the applicable base revenues used to determine the rates.
2. Weather-normalized energy usage by applicable rate schedule will be determined in a manner equivalent to that used for determining the forecasted loads used to establish base rates.
3. No revision to ~~any~~the SNA ~~or LRRR~~ Adjustment Rate will result in an estimated average annual rate increase or decrease greater than ~~23~~% to the applicable SNA ~~or LRRR~~ rate schedule, based on the net rates in effect on the effective date of the Schedule 123 rate revisions. Rate revisions resulting in a rate decrease are not subject to the 2% limit. If the amount of the proposed rate revision exceeds the 3% limit, only a 3% rate increase or decrease will be proposed. Any remaining amount in the SNA Balancing Account will be carried over to the following year(s). Balances carried forward continue to carry forward until they are amortized through this schedule.
4. If the residential decoupling mechanism results in an under collection and there is a charge to residential customers, customers enrolled in the Income Qualified Bill Discount Program will be excluded from the decoupling charge. If the residential decoupling mechanism results in an over collection and there is a refund to residential customers all residential customers will receive a refund.
4. ~~The LRRR prices for Customers served under the provisions of Schedules 485, 489, 490, 491, 492, 495 and 689 will be calculated to apply to distribution services only.~~
5. The SNA ~~and LRRR~~ mechanisms will terminate on ~~May 8, 2022~~ December 31, 2025. Balances accrued up to that point will be subject to subsequent adjustment.