



Portland General Electric Company
121 SW Salmon Street • 1WTC0306 • Portland, OR 97204
portlandgeneral.com

November 29, 2022

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
P. O. Box 1088
Salem, OR 97308-1088

Re: UM XXXX - PGE's Application for Deferred Accounting for Costs and Revenues Associated with the BPA 2021 Reserves Distribution Clause and with BPA Transmission Rates Implemented in the BP-24 Rate Case

Pursuant to ORS 757.259, OAR 860-027-0030, and Commission Order No. 22-427, Portland General Electric Company (PGE) hereby requests authorization to defer for later rate-making treatment any potential Transmission Reserves Distribution Clause (RDC) amounts received by PGE from the Bonneville Power Administration (BPA) as part of BPA's 2022 fiscal year results. Additionally, as part of this deferral, PGE requests deferred accounting treatment for future refund or collection of any difference between PGE's projected BP-24 transmission rates and BPA's actual BP-24 transmission rates as modeled in the final 2023 Net Variable Power Cost (NVPC) forecast for the period October 1, 2023 through December 31, 2023, used to set 2023 Schedule 125 prices.

A Notice regarding the filing of this application has been provided to the parties on PGE's most recent general rate case (UE 394) service list.

Thank you for your assistance in this matter. If you have any questions or require further information, please call me at (503) 464-7488.

Please direct all formal correspondence, questions, or requests to the following e-mail address: pge.opuc.filings@pgn.com.

Sincerely,

/s/ Jaki Ferchland

Jaki Ferchland
Manager, Revenue Requirement

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM _____

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

Application for a Deferral Related to BPA 2022
Reserves Distribution Clause and BPA
Transmission Rates Implemented in the BP-24
Rate Case

**Application for Deferral of Costs and Revenues
Associated with the BPA 2022 Fiscal Year
Reserves Distribution Clause and with BPA
Transmission Rates Implemented in the BP-24
Rate Case**

Pursuant to ORS 757.259, OAR 860-027-0300, and Commission Order No. 22-427 adopting the annual power cost update tariff stipulation,¹ Portland General Electric Company (PGE) hereby requests authorization to defer for later rate-making treatment any potential Transmission Reserves Distribution Clause (RDC) amounts received by PGE from the Bonneville Power Administration (BPA) as part of BPA's 2022 fiscal year results. Additionally, as part of this deferral, PGE requests deferred accounting treatment for future refund or collection of any difference between PGE's projected BP-24 transmission rates² and BPA's actual BP-24 transmission rates as modeled in the final 2023 Net Variable Power Cost (NVPC) forecast for the period October 1, 2023 through December 31, 2023, used to set 2023 Schedule 125 prices. Consistent with the terms of the Commission-approved stipulation,³ PGE requests this deferral begin effective November 30, 2022. PGE will amortize any deferred amounts related to the BPA RDC and BP-24 transmission rates through Schedule 125, starting January 1, 2024.

In support of this application PGE states:

1. PGE is a public utility in the state of Oregon and its rates, services and accounting practices are subject to the regulation of the Public Utility Commission of Oregon.

¹ See Docket No. UE 402, November 1, 2022, Order No. 22-427.

² BP-24 transmission rates refer to point-to-point (PTP) and scheduling, system control, and dispatch service (SCD), and southern intertie (IS) transmission rates.

³ Id.

2. This application is filed pursuant to ORS 757.259, which allows the Commission, upon application, to authorize deferral of certain items for later incorporation in rates.
3. Communications regarding this application should be addressed to:

Kim Burton
Associate General Counsel
Portland General Electric
1WTC 1301
121 SW Salmon Street
Portland, OR 97204
Phone: 573.356.9688
E-mail: kim.burton@pgn.com

PGE-OPUC Filings
Rates & Regulatory Affairs
Portland General Electric
1WTC 0306
121 SW Salmon Street
Portland, OR 97204
Phone: 503.464.7805
E-mail: pge.opuc.filings@pgn.com

In addition to the names and addresses above, the following is to receive notices and communications via the e-mail service list:

Jaki Ferchland
E-mail: Jacquelyn.Ferchland@pgn.com

I. OAR 860-027-0300(3) Requirements

The following is provided pursuant to OAR 860-027-0300(3).

A. Background

BPA Transmission RDC

Parties to PGE's 2023 Annual Update Tariff (AUT) in Docket No. UE 402 entered a stipulation wherein they agreed that PGE will refund to customers any fund distributions that may be provided to PGE pursuant to BPA's 2022 Transmission RDC. The stipulation was adopted through Commission Order No. 22-427.

BPA's Transmission RDC is a process for determining the distribution of financial reserves for purposes determined by BPA and is calculated during each fiscal year. If the Transmission RDC quantitative criteria are met,⁴ BPA calculates the Transmission RDC amount, and determines what part, if any, will be applied to debt reduction, incremental capital investment, rate reduction through a Transmission Dividend Distribution (Transmission DD) credit, distributions to customers, or any other

⁴ See criteria in the BP-22 Record of Decision, Appendix C, Section II.H, Tables B and C.
Application for Deferred Accounting

Transmission-specific purposes determined by BPA. BPA’s 2022 Transmission, Ancillary, and Control Area Service Rate Schedules and General Rate Provisions (FY 2022-2023) provides that “if the Transmission RDC triggers, BPA will notify customers of the preliminary Transmission RDC Amount and whether the amount will be used to reduce debt, incrementally fund capital projects or other high-value Transmission purposes, or reduce rates, as soon as practicable, but in no case later than November 30 of each applicable year.”⁵ In accordance with BPA’s general rate provisions mentioned above, during the November 16, 2022 Q4 Quarterly Business Review Technical Workshop,⁶ BPA notified its transmission customers that the preliminary proposal for a Transmission RDC is to reduce rates by 1.4 percent through the application of a Transmission DD credit for the period between December 2022 and September 2023. Under the proposal, the 1.4 percent rate reduction would apply to all of BPA’s transmission services (e.g., point-to-point, Ancillary, Control Area Service, etc.). BPA will issue the final Transmission RDC decision no later than December 15, 2022.

BPA Transmission Rates Escalation

BPA is currently in a rate case process (BP-24) to update transmission rates for the period October 1, 2023 – September 30, 2025. Because at the time PGE’s 2023 AUT filing was processed in Docket No. UE 402 there was no conclusive information regarding the final change in BPA transmission rates pursuant to the BP-24 rate case, parties to PGE’s 2023 AUT agreed that PGE will defer for collection or refund any costs/revenues associated with the difference between the change to BP-24 transmission rates (compared to current BP-22 rates) and PGE’s currently projected BP-24 transmission rates for the period between October 1, 2023 and December 31, 2023. As agreed to by the parties in UE 402, PGE will calculate the difference in BPA transmission rate escalation and resulting value subject to the deferral by re-running the final 2023 NVPC MONET model using the actual rates, as published

⁵ See document here: <https://www.bpa.gov/energy-and-services/rate-and-tariff-proceedings/transmission-rates>

⁶ See Transmission RDC Application Preliminary Proposal starting at page 27: <https://www.bpa.gov/-/media/Aep/finance/quarterly-business-review/qbr-2022/fy22-q4-qbr-technical-workshop.pdf>

in the BP-24 Record of Decision (ROD). The BP-24 ROD is expected to be finalized and published in Q3 2023.

PGE will include the deferred amounts, if any, in the 2024 NVPC forecast and amortize through Schedule 125, starting January 1, 2024.

B. Reasons for Deferral

Pursuant to ORS 757.259(2)(e) and Commission Order No. 22-427, PGE seeks deferred accounting treatment for any potential Transmission RDC amounts and any costs/revenues associated with a change in BPA's transmission rates as compared to the change modeled in PGE's 2023 AUT. The granting of this Application will match appropriately the costs borne by and benefits received by customers.

C. Proposed Accounting for Recording Amounts Deferred

For collection amounts, PGE proposes to record the deferred amount in FERC Account 182.3 (Regulatory Assets); crediting FERC Account 565 (Transmission Operations). For refund amounts, PGE would record the deferred amount in FERC 229 (Accumulated Provision for Rate Refunds); debiting FERC 565 (Transmission Operations). In the absence of deferral approval, PGE would record the expenses or revenues to the appropriate FERC accounts.

D. Estimate of Amounts to be Recorded Over the Next 12 Months

PGE does not have an estimate of the amounts that will be deferred because they are dependent on actual information regarding the BPA Transmission RDC and the BP-24 Rate Case. The BPA Transmission RDC is expected to be formalized before December 15, 2022, and the BP-24 Rate Case ROD is expected to be finalized and published in Q3 2023.

E. Notice

A copy of the notice of application for deferred accounting treatment and a list of persons served with the Notice are attached to the Application as Attachment A. In compliance with the provisions of 860-027-0300(6), PGE is serving Notice of Application on the UE 394 Service List, PGE's last general

rate case.

II. Summary of Filing Conditions

A. Earnings Review

There is no earnings review for this deferral since it would be amortized through Schedule 125, which is an automatic adjustment clause rate schedule.

B. Prudence Review

A prudence review should be performed at the time of deferral amortization.

C. Sharing Percentages

All prudently incurred cost and benefits will be collected/refunded from/to customers with no sharing mechanism.

D. Rate Spread / Rate Design

The deferred amounts will be spread based on an equal percent of generation revenue applied on a cents per kWh basis, as specified in Schedule 125.

E. Three Percent Test

The three percent test would not apply because any refunds or collections will automatically be included in PGE's 2024 power cost forecast (as incorporated in PGE's prices) in accordance with Commission Order No. 22-427.

III. Conclusion

For the reasons stated above, PGE requests permission to defer any potential Transmission RDC that BPA might provide to PGE related to BPA's 2022 fiscal year. Additionally, PGE requests permission to defer any costs/revenues for collection/refund from/to customers, associated with the difference between the change to BP-24 transmission rates (compared to current BP-22 rates) and PGE's

currently projected BPA transmission escalation rate for the period between October 1, 2023 and December 1, 2023.

DATED this 29th day of November, 2022.

/s/ Jaki Ferchland

Jaki Ferchland,
Manager, Revenue Requirement
121 SW Salmon St., 1WTC 0306
Portland, OR 97204
Telephone: 503.464.7488
E-Mail: jacquelyn.ferchland@pgn.com
PORTLAND GENERAL ELECTRIC COMPANY

Attachment A

**Notice of Application for Deferral of Costs and Revenues Associated with the
BPA 2022 Fiscal Year Transmission Reserves Distribution Clause and BPA
Transmission Rates Implemented in the BP-24 Rate Case**

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM _____**

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

Application for Deferral Related to BPA 2022
Reserves Distribution Clause and BPA
Transmission Rates Implemented in the BP-24
Rate Case

**Notice of Application for Deferral of
Costs and Revenues Associated with the
BPA 2022 Fiscal Year Transmission
Reserves Distribution Clause and with
BPA Transmission Rates as Implemented
through the BP-24 Rate Case**

On November 29, 2022, Portland General Electric Company (PGE) filed an application with the Public Utility Commission of Oregon (the Commission or OPUC) for an Order authorizing Deferral of Costs and Revenues Associated with the BPA Transmission Reserves Distribution Clause and the with BPA Transmission Rates as Implemented through the BP-24 Rate Case.

Approval of PGE's deferral application will not authorize a change in PGE's rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

Persons who wish to obtain a copy of PGE's application will be able to access it on the OPUC website.

Any person who wishes to submit written comments to the Commission on PGE's application must do so no later than January 15, 2023.

Dated: November 29, 2022

/s/ Jaki Ferchland
Jaki Ferchland,
Manager, Revenue Requirement
121 SW Salmon St., 1WTC 0306
Portland, OR 97204
Telephone: 503.464.7488
E-Mail: jacquelyn.ferchland@pgn.com
PORTLAND GENERAL ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing **Application for Deferral of Costs and Revenues Associated with the BPA Fiscal year 2022 Transmission Reserves Distribution Clause and the Change to BPA Transmission Rates as Implemented through the BP-24 Rate Case** to be served by electronic mail to those parties whose email addresses appear in the attached service list OPUC Docket No. UE 394.

Dated at Portland, Oregon, this 29th day of November, 2022

/s/ Jaki Ferchland

Jaki Ferchland,
Manager, Revenue Requirement
121 SW Salmon St., 1WTC 0306
Portland, OR 97204
Telephone: 503.464.7488
E-Mail: jacquelyn.ferchland@pgn.com

**SERVICE LIST
OPUC DOCKET # UE 394**

RALPH CAVANAGH NATURAL RESOURCES DEFENSE COUNCIL	111 SUTTER ST FL 20 SAN FRANCISCO CA 94104 rcavanagh@nrdc.org
LAUREN MCCLOY NW ENERGY COALITION	811 1ST AVE SEATTLE WA 98104 lauren@nwenergy.org
MICHELLE ORTON-BROWN WALMART	morton-brown@parsonsbehle.com
WILLIAM STEELE (C) BILL STEELE AND ASSOCIATES, LLC	PO BOX 631151 HIGHLANDS RANCH CO 80164 w.steele1@icloud.com
AWEC	
JESSE O GORSUCH (C) (HC) DAVISON VAN CLEVE	1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 jog@dvclaw.com
CORRINE MILINOVICH (C) (HC) DAVISON VAN CLEVE, P.C.	1750 SW HARBOR WAY, STE. 450 PORTLAND OR 97201 com@dvclaw.com
TYLER C PEPPE (C) (HC) DAVISON VAN CLEVE, PC	1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 tcp@dvclaw.com
CALPINE SOLUTIONS	
GREGORY M. ADAMS (C) (HC) RICHARDSON ADAMS, PLLC	515 N 27TH ST BOISE ID 83702 greg@richardsonadams.com
GREG BASS CALPINE ENERGY SOLUTIONS, LLC	401 WEST A ST, STE 500 SAN DIEGO CA 92101 greg.bass@calpinesolutions.com
KEVIN HIGGINS (C) (HC) ENERGY STRATEGIES LLC	215 STATE ST - STE 200 SALT LAKE CITY UT 84111-2322 khiggins@energystrat.com
FRED MEYER	
JUSTIN BIEBER (C) FRED MEYER/ENERGY STRATEGIES LLC	215 SOUTH STATE STREET, STE 200

SALT LAKE CITY UT 84111
jbieber@energystrat.com

KURT J BOEHM (C)
BOEHM KURTZ & LOWRY

36 E SEVENTH ST - STE 1510
CINCINNATI OH 45202
kboehm@bkllawfirm.com

JODY KYLER COHN (C)
BOEHM, KURTZ & LOWRY

36 E SEVENTH ST STE 1510
CINCINNATI OH 45202
jkylercohn@bkllawfirm.com

NIPPC

CARL FINK
BLUE PLANET ENERGY LAW LLC

628 SW CHESTNUT ST, STE 200
PORTLAND OR 97219
cmfink@blueplanetlaw.com

SPENCER GRAY
NIPPC

sgray@nippc.org

OREGON CITIZENS UTILITY BOARD

WILLIAM GEHRKE (C)
OREGON CITIZENS' UTILITY BOARD

610 SW BROADWAY STE 400
PORTLAND OR 97206
will@oregoncub.org

MICHAEL GOETZ (C)
OREGON CITIZENS' UTILITY BOARD

610 SW BROADWAY STE 400
PORTLAND OR 97205
mike@oregoncub.org

Share OREGON CITIZENS' UTILITY BOARD
OREGON CITIZENS' UTILITY BOARD

610 SW BROADWAY, STE 400
PORTLAND OR 97205
dockets@oregoncub.org

PGE

PORTLAND GENERAL ELECTRIC

pge.opuc.filings@pgn.com

KIM BURTON
PORTLAND GENERAL ELECTRIC

121 SW SALMON STREET
PORTLAND OR 97204
kim.burton@pgn.com

JAY TINKER (C)
PORTLAND GENERAL ELECTRIC

121 SW SALMON ST 1WTC-0306
PORTLAND OR 97204
pge.opuc.filings@pgn.com

SBUA

JAMES BIRKELUND
SMALL BUSINESS UTILITY ADVOCATES

548 MARKET ST STE 11200
SAN FRANCISCO CA 94104
james@utilityadvocates.org

DIANE HENKELS (C)
SMALL BUSINESS UTILITY ADVOCATES

621 SW MORRISON ST. STE 1025
PORTLAND OR 97205
diane@utilityadvocates.org

STAFF

STEPHANIE S ANDRUS (C)
PUC STAFF--DEPARTMENT OF JUSTICE

BUSINESS ACTIVITIES SECTION
1162 COURT ST NE
SALEM OR 97301-4096
stephanie.andrus@doj.state.or.us

JILL D GOATCHER (C)
PUC STAFF--DEPARTMENT OF JUSTICE

BUSINESS ACTIVITIES SECTION
1162 COURT ST NE
SALEM OR 97301-4096
jill.d.goatcher@doj.state.or.us

MATTHEW MULDOON (C)
PUBLIC UTILITY COMMISSION OF OREGON

PO BOX 1088
SALEM OR 97308-1088
matt.muldoon@puc.oregon.gov

WALMART

VICKI M BALDWIN (C)
PARSONS BEHLE & LATIMER

201 S MAIN ST STE 1800
SALT LAKE CITY UT 84111
vbaldwin@parsonsbehle.com

STEVE W CHRISS (C)
WAL-MART STORES, INC.

2001 SE 10TH ST
BENTONVILLE AR 72716-0550
stephen.chriss@wal-mart.com