

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UE 410

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY,

Application Regarding Amortization of  
Boardman Deferral.

**PORTLAND GENERAL ELECTRIC  
COMPANY’S MOTION TO SUSPEND  
PROCEDURAL SCHEDULE**

*Expedited Consideration Requested*

Pursuant to OAR 860-001-0420, Portland General Electric Company (PGE or “the Company”) hereby respectfully requests entry of a ruling or order suspending the remainder of the procedural schedule, including the hearing scheduled for November 17<sup>1</sup>. PGE will file a status update no later than February 16, 2023 with information regarding 2022 earnings, its settlement discussion with parties, and any required scheduling issues. A temporary suspension through February 2023 will allow parties to continue productive settlement discussions with the intent to resolve all issues in dispute concerning not only the treatment of 2020 Boardman revenue requirements, but also the 2022 Boardman revenue requirements. Such a settlement would fully resolve this docket. Due to the impending hearing, PGE requests expedited consideration of this procedural motion.

The Company discussed this motion with Staff of the Public Utility Commission of Oregon (“Staff”), the Oregon Citizens’ Utility Board (CUB), and the Alliance of Western Energy Consumers (AWEC) (jointly, “the Parties”). The Parties indicated they oppose PGE’s motion.

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<sup>1</sup> All calendar references are to 2022 unless otherwise indicated.

## I. BACKGROUND

In Order No. 22-129,<sup>2</sup> the Commission granted CUB and AWEC's deferral application of the revenue impacts from expenses and capital costs associated with the Boardman plant that were included in base rates after the plant's closure. The Commission established an earnings test requiring any of the Boardman deferred amounts above PGE's authorized return on equity be subject to a refund.<sup>3</sup> The Commission directed PGE to submit a filing in this docket for the 2020 Boardman deferral that applied the earnings test and to also submit compliance filings for 2021 and 2022 once earnings were available for each year.<sup>4</sup>

On July 27, PGE submitted testimony and exhibits applying the earnings test for amounts deferred in 2020 and 2021. On September 6, the ALJ issued a *Memorandum Establishing Procedural Schedule*, which set a November 9 deadline for cross examination statements and exhibits as well as a November 17 hearing date. With briefing deadlines in December and January, the procedural schedule sets a target date for a Commission order of February 6, 2023.

On October 24, PGE and the Parties filed a partial stipulation that resolves the Boardman revenue requirements for 2021. Yet the treatment of 2020 deferred amounts is still in dispute. Unresolved issues remain as to the appropriate period to consider for the earnings test review and the methodology in which the earnings review is applied. While PGE and the Parties have met numerous times to discuss settlement, negotiations have not yet resulted in a mutually agreeable outcome. However, for reasons explained further below, PGE believes a temporary suspension of the procedural schedule will enable further progress and ultimately an opportunity to reach settlement and, in the event settlement is not possible, provide the Commission with a more

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<sup>2</sup> Issued April 25, 2022, in Docket UE 394.

<sup>3</sup> Order No. 22-129 at 54.

<sup>4</sup> *Id* at 55.

complete record upon which to base its decision regarding any refund of deferred amounts during the entire deferral period (including both 2020 and 2022).

## **II. ARGUMENT**

### **A. The Order of Operations is a Central Issue for the Boardman Earnings Review**

The extraordinary circumstances of 2020 present a novel question as to how unrelated deferrals should be treated when applying an earnings review to the Boardman deferral. During 2020, PGE had deferrals distinct from Boardman, such as the COVID and PHERA deferrals. The order of operations in which those other deferrals are considered within the Boardman earnings review presents an issue the Commission has never specifically addressed. Due to PGE's earnings level in 2021, the order of operations had no bearing on the 2021 earnings test. However, the order of operations impacts amortization in 2020 and depending on PGE's financial results, may also impact 2022.

### **B. Since the Order of Operations May Impact the Treatment for 2022, Suspending the Procedural Schedule Until 2022 Earnings are Available is Appropriate**

While the dispute over the order of operations in performing the earnings review pertains to the treatment for the Boardman revenue requirements in 2020, it may also be an issue for Boardman revenue requirements in 2022. Currently, PGE is unable to provide the Parties with adequate earnings information for 2022 as the year-end financial results are not yet final. While final results of operation may not be ready before April 2023, based on the timing of the annual FERC Form-1 submittal, PGE anticipates having reliable and accurate 2022 earnings information available by February 2023 in accordance with the schedule for public disclosure of its financial results for the year. Suspending the procedural schedule until the 2022 financials are known will allow the Parties and the Commission to evaluate the order of operations issue with a more comprehensive view (2020 and 2022) and will lead to a better and more sustainable basis for a

decision. Due to the importance of the novel issue concerning the order of operations in this case, a more complete development of the record to consider its potential impact under different scenarios and the test of time is warranted.

### **C. Good Cause Exists to Suspend Procedural Schedule**

PGE believes settlement is achievable; however, it is less likely to occur if 2020 and 2022 are not addressed concurrently. This is true for a variety of reasons, particularly given the current uncertainty regarding PGE's 2022 earnings. That uncertainty will be removed by February 2023, thereby facilitating the potential to settle these matters.

Holding the proceedings in this docket in abeyance for a few months will further result in a more efficient use of the time and resources of the Company, the Parties, and the Commission. It will avoid the duplicative effort necessary to conduct a hearing and briefing solely on the 2020 deferred amounts and then addressing 2022 separately in a future proceeding.

Customers and the Parties will not be harmed by the granting of this motion since a suspension of the procedural schedule will likely only result in a short delay beyond the current February 6, 2023, target Commission order date. Suspending the procedural schedule provides an additional opportunity to completely resolve the amortization treatment for the 2022 Boardman deferral sooner than it would otherwise occur. Furthermore, customers will not be harmed by a procedural delay since the amounts subject to a possible refund will continue accruing interest at the pre-amortization rate until a final Commission order is issued.

## **III. CONCLUSION**

### **Request for Expedited Consideration**

Although OAR 860-001-0420(4) permits responses to a procedural motion to be filed within seven days, this length of time will impair the ability for a decision on this motion to be

issued prior to the November 17 hearing. PGE therefore requests expedited consideration of this motion and an order shortening the time for responses to this procedural motion to no later than Wednesday, November 9, with a ruling on this motion being issued no later than Thursday, November 10, to allow PGE and the Parties sufficient time to conduct hearing preparations should this motion not be granted.

WHEREFORE, PGE respectfully requests the ALJ issue a ruling suspending the remainder of the procedural schedule, including the November 17 hearing, and directing PGE to provide a status update no later than February 16, 2023, and for such further direction and relief as the ALJ deems just and proper under the circumstances.

DATED this 7th day of November, 2022.

Respectfully submitted,

*/s/ Kim S. Burton*

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Kim S. Burton, OSB #221958  
Portland General Electric Company  
121 SW Salmon Street, 1WTC1301  
Portland, Oregon 97204  
(573) 356-9688 (mobile)  
Email: [kim.burton@pgn.com](mailto:kim.burton@pgn.com)



**Portland General Electric Company**

Legal Department  
121 SW Salmon Street • 1WTC1301 • Portland, Oregon 97204  
Phone 573-356-9688 • Fax 503-464-2200  
portlandgeneral.com

**Kim S. Burton**

Assistant General Counsel III  
kim.burton@pgn.com

November 7, 2022

***Via Electronic Filing***

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

**Re: UE 410 – In the Matter of Portland General Electric Company, Application  
Regarding Amortization of Boardman Deferral**

Dear Filing Center:

On behalf of Portland General Electric Company, enclosed for electronic filing today in the above-captioned docket is PGE's Motion to Suspend Procedural Schedule, with Expedited Consideration Requested.

Thank you for your assistance.

Sincerely,

/s/ Kim S. Burton

Kim Burton  
Assistant General Counsel III

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Enclosure