

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 15, 2020**

REGULAR CONSENT EFFECTIVE DATE January 1, 2021

DATE: December 1, 2020

TO: Public Utility Commission

FROM: John Fox

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

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1206/Advice No. 20-41)
Schedule 105. Miscellaneous Regulatory Adjustments.

STAFF RECOMMENDATION:

Staff recommends the Public Utility Commission of Oregon (Commission) approve Portland General Electric's (PGE or Company) proposed Schedule 105 tariff, as described in the Advice filing 20-41, effective on and after January 1, 2021.

DISCUSSION:

Issue

Whether the Commission should approve revised Schedule 105.

Applicable Laws

Under ORS 757.259(2), upon application of a utility and after public notice, opportunity for comment and a hearing if any party requests a hearing, the commission by order may authorize deferral of certain amounts for later incorporation in rates. Those amounts include, under ORS 757.259(2)(e), identifiable utility expenses or revenues, the recovery or refund of which the commission finds should be deferred in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne by and benefits received by ratepayers.

OAR 860-022-0025(2) states that each energy utility filing tariffs or schedules changing existing tariffs or schedules shall submit the following information: (a) a statement

plainly indicating the increase, decrease, or other change thereby made in existing rates, charges, tolls, or rules and regulations; (b) a statement setting forth the number of customers affected by the proposed change and the resulting change in annual revenue; and (c) a detailed statement setting forth the reasons or grounds relied upon in support of the proposed change.

Analysis

Background

Schedule 105 Regulatory Adjustments: The purpose of this schedule is to reflect the effects of regulatory adjustments such as net gains from nonrecurring property transactions, costs associated with the implementation of SB 1149, and miscellaneous nonrecurring items.

In this filing, PGE states that Schedule 105, Regulatory Adjustments is composed of parts A and B. Part A includes the second of two years of amortization of repayment of ZIP Loans with interest consistent with the Commission directive at the December 20, 2005, public meeting related to PGE Advice No. 05-19, amortization of property sales, and the Research and Development (R&D) tax credit consistent with Order No. 20-291 in UM 1991. The Part B price is a refund to applicable customers of approximately \$420,000 related to the 2020 deferred Large Nonresidential Load True-up consistent with the provisions of Schedule 128. This amount is spread to applicable large nonresidential customers on an equal cents per kWh basis.

Review - Rate Impact of Advice No. 20-41

To satisfy the requirements of OARs 860-022-0025(2) and 860-22-0030(1), PGE provided the following response:

The 2021 revenues resulting from the proposed Schedule 105 prices are credit to customers of approximately \$8.5 million. This represents a decrease of approximately \$6.6 million relative to current Schedule 105 prices. A typical Schedule 7 Residential customer consuming 800 kWh monthly will see a bill decrease of \$0.40, or 0.38%.

To satisfy the requirements of ORS 757.259(6), PGE provided the following response:

PGE's 2019 annual cycle revenues were approximately \$1,799 million. The sum of PGE's current and proposed 2021 amortization of deferrals including the proposed applicable amortizations in Schedules 105 is approximately \$32.1 million, or 1.8% of 2019 revenues. A list of the applicable current and proposed amortizations is provided in the work papers.

Conclusion

Staff reviewed work papers and detailed bill comparisons combining the impact of all PGE's filings for price changes. Staff found that in this filing, PGE complied with OAR 860-022-0025(2), and provided a detailed statement setting forth the reasons or grounds relied upon in support of the proposed change. Staff verified PGE's work paper data, and found the calculations are sufficient and supportive of the Company's filing, and are consistent with past Commission Orders.

PROPOSED COMMISSION MOTION:

Approve PGE's proposed Schedule 105 tariff, as described in the Advice filing 20-41, effective on and after January 1, 2021.