

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 18, 2018

REGULAR _____ CONSENT X EFFECTIVE DATE January 1, 2019

DATE: December 18, 2018

TO: Public Utility Commission

FROM: *DKG*
Deborah Glosser

THROUGH: *EP* Jason Eisdorfer and *J* John Crider

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. ADV 869/Advice No. 18-19) Reprices Schedule 143 Spent Fuel Adjustment Amount.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Portland General Electric (PGE or Company) Advice No. 18-19, repricing Schedule 143 Spent Fuel Adjustment, consistent with the United States Department of Energy (DOE) for spent fuel storage at its Trojan site, effective January 1, 2019.

DISCUSSION:

Issue

Whether the Commission should approve Portland General Electric (PGE or Company) Advice No. 18-19, repricing Schedule 143 Spent Fuel Adjustment and allow new rates to go into effect.

Applicable Law and Rule

Filings that propose 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 change. ORS 757.210 and .220; OAR 860-022-0015.

Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025. 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.

Analysis

Under Nuclear Regulatory Commission (NRC) regulations PGE was required to collect money during the operation of its Trojan Nuclear Plant for future decommissioning of the plant. Under NRC regulations, the amounts collected for decommissioning are held in a trust fund administered by an independent third party.

The purpose of Schedule 143 is to amortize into rates excess funds previously collected from ratepayers and contained in the Trojan Nuclear Decommissioning Trust Fund and any ongoing refunds from the United States Department of Energy (DOE) for amounts paid to the Department for spent fuel storage. PGE also uses Schedule 143 to amortize pollution control tax credits associated with the Independent Spent Fuel Storage Installation at the Trojan nuclear plant.

In Advice Filing 869, PGE reprices Schedule 143 Spent Fuel Adjustment consistent with the refund amount recently received from the DOE for spent fuel storage at its Trojan site. This filing also removes amortization of the state pollution tax credits received from the Oregon Department of Energy related to the Independent Spent Fuel Storage Installation (ISFSI) at Trojan since PGE does not anticipate receiving further credits. The DOE spent fuel storage credit for 2019 is forecasted to be \$2.6 million. PGE allocates the refund to the rate schedules on the basis of energy revenues. Consistent with currently effective Schedule 143 prices, direct access Customers are allocated the Schedule 143 credits as if they were on Cost-of-Service pricing.

As noted in its filing, the Company maintains a balancing account to track the difference between the Trojan Nuclear Decommissioning Trust Fund refund, ongoing refunds, and the ISFSI payments and the amounts actually returned to customers under Schedule 143. This difference will accrue interest at the Commission-authorized rate for deferred accounts.

Conclusion

Staff has evaluated the workpapers filed in support of PGE's request, and confirms that the repricing of Schedule 143 results in an approximate \$429,000 or 0.04 percent overall average rate increase for the 894,576 (2019 forecasted average) Customers. A

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typical Schedule 7 Residential Customer consuming 800 kWh monthly will see a bill increase of \$0.02 or 0.02 percent.

PROPOSED COMMISSION MOTION:

Approve PGE's revised repricing of Schedule 143, Spent Fuel Adjustment as described in Advice No. 18-19, to go into effect January 1, 2019.