



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204
PortlandGeneral.com

December 1, 2016

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. 16-04, Schedule 122, Renewable Resource Automatic Adjustment Clause

Portland General Electric (PGE) submits this supplemental filing pursuant to Oregon Revised Statutes 757.205, 757.210 and 469A.120, and Oregon Administrative Rules 860-022-0025 and 860-022-0030, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18. PGE initially filed Advice No. 16-04 on March 30, 2016, with a requested effective date of January 1, 2017, which remains as originally filed. PGE is submitting this Supplemental Filing with updated prices pursuant to PGE's Tariff.

Enclosed are the following replacement sheets:

Twelfth Revision of Sheet No. 122-1
Twelfth Revision of Sheet No. 122-2

This filing is made consistent with the Schedule 122 Renewable Resources Automatic Adjustment Clause to update the revenue requirements and prices related to the Portland Public Schools (PPS) solar project previously approved in OPUC Order No. 15-304 (Docket No. UE 297). The proposed Schedule 122 prices recover the prospective PPS 2017 fixed revenue requirements of approximately \$612,000. The 2017 dispatch benefits are contained in the 2017 Schedule 125 Annual Power Cost Update. The 2015 gain on the associated property sale of approximately \$2.9 million is being amortized over one year through current Schedule 122 prices and is removed from prospective 2017 prices.

To satisfy the requirements of OAR 860-022-0025(2) and OAR 860-022-0030(1), PGE responds as follows:

PGE estimates that approximately 870,000 (2017 average) Cost of Service (COS) customers will be impacted by this overall \$2.9 million or 0.17% increase in COS revenues from the proposed Schedule 122 prices. A typical Schedule 7 customer consuming 840 kWh monthly will see a bill increase of \$0.15 or 0.15%.

Work papers detailing the updated revenue requirements and Schedule 122 price development are attached. In addition, PGE provides detailed percentage impacts on customers reflecting all of the proposed 2017 price changes contained in the table below:

<u>Schedule</u>	<u>Advice No.</u>	<u>Change in Millions</u>
Schedule 125 AUT	16-21	(\$58.2)
System Usage/Distribution Charge True-ups	16-21	\$5.9
Schedule 129 Long-Term Transition Cost Adjustment	16-21	(\$4.0)
Schedule 122 RRAAC	16-04	\$2.9
Schedule 102 Regional Power Act Exchange Credit	16-18	\$7.3
Schedule 105 Regulatory Adjustments	16-20	\$2.7
Schedule 109 Energy Efficiency Funding Adjustment	16-22	\$23.3
Schedule 123 Decoupling	16-17	(\$4.6)
Schedule 143 Spent Fuel Adjustment	16-19	\$23.6
Schedule 145 Boardman Decommissioning	16-16	(\$2.1)
Schedule 146 Colstrip Power Plant Operating Adjustment	16-15	<u>\$5.6</u>
Total (numbers may not foot due to rounding)		\$2.5

The result of all the proposed 2017 price changes excluding Schedule 109, is a decrease in revenues of approximately \$20.8 or 1.2%. Inclusive of Schedule 109, the proposed price changes sum to an increase of \$2.5 million or 0.2%.

Should you have any questions or comments regarding this filing, please contact Rebecca Brown at (503) 464-8545 or Marc Cody at (503) 464-7434.

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pqn.com

Sincerely,



for

Karla Wenzel
Manager, Pricing and Tariffs

Enclosures

**SCHEDULE 122
RENEWABLE RESOURCES AUTOMATIC ADJUSTMENT CLAUSE**

PURPOSE

This Schedule recovers the revenue requirements of qualifying Company-owned or contracted new renewable energy resource projects (including associated transmission) not otherwise included in rates. Additional new renewable projects may be incorporated into this schedule as they are placed in service. This adjustment schedule is implemented as an automatic adjustment clause as provided for under ORS 757.210 and Section 13 of the Oregon Renewable Energy Act (OREA).

AVAILABLE

In all territory served by the Company.

APPLICABLE

To all bills for Electricity Service except Schedules 76, 485, 489, 490, 491, 492, 495 and 576. This schedule is not applicable to direct access customers after December 31, 2010.

ADJUSTMENT RATE

The Adjustment Rate, applicable for service on and after the effective date of this schedule are:

<u>Schedule</u>		
7	0.004	¢ per kWh
15	0.003	¢ per kWh
32	0.004	¢ per kWh
38	0.003	¢ per kWh
47	0.004	¢ per kWh
49	0.004	¢ per kWh
75		
Secondary	0.003	¢ per kWh
Primary	0.003	¢ per kWh
Subtransmission	0.003	¢ per kWh
83	0.003	¢ per kWh
85		
Secondary	0.003	¢ per kWh
Primary	0.003	¢ per kWh

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SCHEDULE 122 (Continued)

ADJUSTMENT RATE (Continued)

<u>Schedule</u>				
89				
Secondary	0.003	¢ per kWh		(I)
Primary	0.003	¢ per kWh		
Subtransmission	0.003	¢ per kWh		
90	0.003	¢ per kWh		
91	0.003	¢ per kWh		
92	0.003	¢ per kWh		
95	0.003	¢ per kWh		

ANNUAL REVENUE REQUIREMENTS

The Annual Revenue Requirements of a qualifying project will include the fixed costs of the renewable resource and associated transmission (including return on and return of the capital costs), operation and maintenance costs, income taxes, property taxes, and other fees and costs that are applicable to the renewable resource or associated transmission. Until the dispatch benefits are included in the Annual Power Cost Update Schedule 125, the net revenue requirements of each project (fixed costs less market value of the energy produced by the renewable resource plus any power costs such as fuel, integration and wheeling costs) will be deferred and incorporated the following January 1 into the Schedule 122 rates. This balancing account will accrue interest at the Commission-authorized rate for deferred accounts. Each year by April 1, the Company will file an update to the revenue requirements of resources included in this schedule to recognize projected changes for the following calendar year.

DEFERRAL MECHANISM

For each calendar year that the Company anticipates that a new renewable resource will commence operation, the Company may file a deferral request the earlier of the resource online date or April 1. The deferral amount will be for the fixed revenue requirements of the resource less net dispatch benefits. For purposes of determining dispatch benefits, the forward curves used to set rates for the year under the Annual Power Cost Update will be used. The deferral will be amortized over the next calendar year in Schedule 122 unless otherwise approved by the Oregon Public Utility Commission (OPUC). The amortization of the deferred amount will not be subject to the provisions of ORS 757.259(5).