



# Oregon

Kate Brown, Governor

**Public Utility Commission**

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November 30, 2021



BY EMAIL

Portland General Electric Company

pge.opuc.filings@pgn.com

RE: Advice No. 21-28

At the public meeting on November 30, 2021, the Commission adopted Staff's recommendation in this matter docketed as ADV 1328. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

A handwritten signature in blue ink, appearing to read "Nolan Moser".

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: November 30, 2021**

REGULAR  CONSENT  EFFECTIVE DATE January 1, 2022

**DATE:** November 18, 2021

**TO:** Public Utility Commission

**FROM:** Ming Peng

**THROUGH:** Bryan Conway, John Crider, and Matt Muldoon **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. ADV 1328/Advice No. 21-28)  
Updates Schedule 145, Boardman Power Plan  
Decommissioning Adjustment.

**STAFF RECOMMENDATION:**

Approve Portland General Electric's (PGE or Company) Advice No. 21-28, which updates Schedule 145, Boardman Power Plant Decommissioning Adjustment, effective with service rendered on and after January 1, 2022.

**DISCUSSION:**

Issue

Whether the Commission should approve PGE's Advice No. 21-28, which updates Schedule 145, Boardman Power Plant Decommissioning Adjustment, effective with service rendered on and after January 1, 2022.

Applicable Law

ORS 757.210 the Commission may approve tariff changes if they are deemed to be fair, just, and reasonable.

ORS 757.518 (6) provides coal decommissioning costs are an exception from the requirements of ORS 757.355, allowing for the "full recovery of prudently incurred costs related to the decommissioning or remediation of a coal-fired resource or the closure of a coal-fired resource at the time those costs are incurred."

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

ORS 757.220 and OAR 860-022-0020 require 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.

### Analysis

PGE's Boardman coal-fired power plant (Boardman) is located in Oregon, and ceased operation on October 15, 2020. The facility is planned to be decommissioned and demolished by the end of 2023.

In general, decommissioning cost, as terminal cost of removal, is included in a net salvage value as part of depreciation expense and recovered through depreciation in a revenue requirement.

ORS 757.518 allows for the possibility of full cost recovery of final decommissioning costs for coal-fired generating units, such as Boardman.

The purpose of the Schedule 145 Boardman Power Plant Decommissioning Adjustment is to implement the revenue requirement effect of the decommissioning expenses related to the Boardman Power Plant.

On October 26, 2021, PGE filed Advice No. 21-28, requesting updates to Schedule 145 for the following tariff sheets associated with Tariff P.U.C. No. 18, with a requested effective date of January 1, 2022:

Fifteenth Revision of Sheet No, 145-1  
Fifteenth Revision of Sheet No. 145-2

In PGE's Advice No. 21-28, PGE states:

PGE committed to continue to track the amount necessary for decommissioning and update Schedule 145 on January 1 of each year, as necessary, to account for updates to the load forecast and decommissioning costs, among other factors. If final decommissioning costs were lower than the amount collected, PGE would refund the net amount to Customers. PGE has not yet performed the decommissioning and does not yet have actual costs. However, PGE is unlikely to need further collections from Customers based on estimates. PGE proposes to

set Schedule 145 Boardman Power Plant Decommissioning Adjustment rates to zero beginning January 1, 2022.

To satisfy the requirements of OAR 860-022-0025(2), PGE provides the following responses:

Setting the current Schedule 145 prices to zero results in an approximate 0.1% overall average rate decrease for the approximately 918,600 (2022 forecasted average) applicable Cost-of-Service Customers. A typical Schedule 7 Residential Customer consuming 800 kWh monthly will see a \$0.10 or 0.09% decrease to their monthly bill.

### Conclusion

Based on Staff's analysis of PGE's advice filing, and the work papers associated with the filing, Staff finds the calculations associated with the filing are accurate and consistent with applicable laws. Staff further finds that the Company's update to Schedule 145 results in rates that are fair, just, and reasonable.

The Company has reviewed this memo and has no concerns.

### **PROPOSED COMMISSION MOTION:**

Approve PGE's Advice No. 21-28, which updates Schedule 145, Boardman Power Plant Decommissioning Adjustment, effective with service rendered on and after January 1, 2022.

## Attachment A

Portland General Electric Company                      Fifteenth Revision of Sheet No. 145-1  
P.U.C. Oregon No. E-18                                      Canceling Fourteenth Revision of Sheet No. 145-1

### SCHEDULE 145 BOARDMAN POWER PLANT DECOMMISSIONING ADJUSTMENT

**PURPOSE**

This schedule establishes the mechanism to implement in rates the revenue requirement effect of the decommissioning expenses related to the Boardman power plant. This schedule is implemented as an "automatic adjustment clause" as defined in ORS 757.210.

**APPLICABLE**

To all bills for Electricity Service except Schedules 76R, 485, 489, 490, 491, 492, 495, 576R and 689.

**ADJUSTMENT RATES**

Schedule 145 Adjustment Rates will be set based an equal percent of Energy Charge revenues applicable at the time of any filing that revises rates pursuant to this schedule.

	<u>Schedule</u>	<u>Adjustment Rate</u>	
7		0.000 ¢ per kWh	(R)   (R)
15		0.000 ¢ per kWh	
32		0.000 ¢ per kWh	
38		0.000 ¢ per kWh	
47		0.000 ¢ per kWh	
49		0.000 ¢ per kWh	
75			
	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	
	Subtransmission	0.000 ¢ per kWh	
83		0.000 ¢ per kWh	
85			
	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	

## Attachment A

Portland General Electric Company      Fifteenth Revision of Sheet No. 145-2  
P.U.C. Oregon No. E-18      Canceling Fourteenth Revision of Sheet No. 145-2

### SCHEDULE 145 (Continued)

ADJUSTMENT RATE (Continued)

	<u>Schedule</u>	<u>Adjustment Rate</u>	
89			
	Secondary	0.000 ¢ per kWh	(R)
	Primary	0.000 ¢ per kWh	
	Subtransmission	0.000 ¢ per kWh	
90		0.000 ¢ per kWh	
91		0.000 ¢ per kWh	
92		0.000 ¢ per kWh	
95		0.000 ¢ per kWh	
515		0.000 ¢ per kWh	
532		0.000 ¢ per kWh	
538		0.000 ¢ per kWh	
549		0.000 ¢ per kWh	
575			
	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	
	Subtransmission	0.000 ¢ per kWh	
583		0.000 ¢ per kWh	
585			
	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	
589			
	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	
	Subtransmission	0.000 ¢ per kWh	
590		0.000 ¢ per kWh	
591		0.000 ¢ per kWh	
592		0.000 ¢ per kWh	
595		0.000 ¢ per kWh	
			(R)

**SCHEDULE 145  
BOARDMAN POWER PLANT  
DECOMMISSIONING ADJUSTMENT**

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	Subtransmission	0.000 ¢ per kWh	
83		0.000 ¢ per kWh	
85			
	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	

**SCHEDULE 145 (Continued)**

ADJUSTMENT RATE (Continued)

	<u>Schedule</u>	<u>Adjustment Rate</u>	
89	Secondary	0.000 ¢ per kWh	(R)
	Primary	0.000 ¢ per kWh	
	Subtransmission	0.000 ¢ per kWh	
90		0.000 ¢ per kWh	
91		0.000 ¢ per kWh	
92		0.000 ¢ per kWh	
95		0.000 ¢ per kWh	
515		0.000 ¢ per kWh	
532		0.000 ¢ per kWh	
538		0.000 ¢ per kWh	
549		0.000 ¢ per kWh	
575	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	
	Subtransmission	0.000 ¢ per kWh	
583		0.000 ¢ per kWh	
585	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	
589	Secondary	0.000 ¢ per kWh	
	Primary	0.000 ¢ per kWh	
	Subtransmission	0.000 ¢ per kWh	
590		0.000 ¢ per kWh	
591		0.000 ¢ per kWh	
592		0.000 ¢ per kWh	
595		0.000 ¢ per kWh	(R)