

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1417

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Application for Deferral of Revenues
Associated with the Sales Normalization
Adjustment, the Lost Revenue Recovery
Adjustment and the refund of Return on
Equity.

ORDER

DISPOSITION: DEFERRED ACCOUNTING APPROVED

On January 30, 2009, Portland General Electric Company (PGE) filed a request with the Public Utility Commission of Oregon (Commission), pursuant to ORS 757.259, to defer revenues associated with Schedule 123, the Sales Normalization and Lost Revenue Recovery Adjustments and the refund of Return on Equity effective February 1, 2009. A description of the filing and its procedural history is contained in the Staff Report, attached as Appendix A, and incorporated by reference.

At its Public Meeting on May 5, 2009, the Commission adopted Staff's recommendation.

ORDER

IT IS ORDERED that Portland General Electric Company's request to defer revenues associated with the Sales Normalization Adjustment, the Lost Revenue Recovery Adjustment, and the refund of Return on Equity effective February 1, 2009, is approved.

Made, entered, and effective MAY 06 2009

BY THE COMMISSION:



Becky L. Beier

Becky L. Beier
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

ITEM NOS. 2 & 3

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 5, 2009

REGULAR X CONSENT EFFECTIVE DATE May 6, 2009

DATE: April 28, 2009

TO: Public Utility Commission

FROM: ^{CO}Carla Owings and ^{GRC}George Compton

THROUGH: ⁱⁿLee Sparling, ^{EB}Ed Busch, ^{MS}Marc Hellman, ^{JD}Judy Johnson and ^{SS}Steve Storm

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1417) Defers the revenues associated with the Sales Normalization Adjustment, the Lost Revenue Recovery Adjustment and the refund of Return on Equity.

(Advice No. 09-11) Revises Schedule 123, Sales Normalization Adjustment and Lost Revenue Recovery Adjustment.

STAFF RECOMMENDATIONS:

Staff recommends approval of Portland General Electric's request to defer revenues associated with Schedule 123, the Sales Normalization and Lost Revenue Recovery Adjustments and the refund of Return on Equity effective February 1, 2009; and

Staff recommends Commission approve implementation of Schedule 123, the Sales Normalization and Lost Revenue Recovery Adjustments and allow the proposed tariff sheets in Advice No. 09-11 to become effective with service on and after May 6, 2009, with Less than Statutory Notice.

DISCUSSION:

Background

In Docket No. UE 197, Portland General Electric (PGE or the Company) asked the Commission to approve proposed decoupling and revenue recovery mechanisms implemented through the deferral of certain revenues pursuant to formulas for the Sales Normalization Adjustment (SNA) and the Lost Revenue Recovery Adjustment (LRRRA)

PGE UM 1417
April 28, 2009
Page 2

specified in a tariff, Schedule 123. Commission Order No. 09-020 allowed PGE's request, subject to multiple modifications and conditions,¹ including the following:

1. The fixed cost-recovery factors should be conformed to the revenue requirement decisions in Commission Order No. 09-020.
2. The interest rate to be applied to the monthly Sales Normalization Adjustment (SNA) balance and the Lost Revenue Recovery Adjustment (LRRRA) balance shall be the Modified Blended Treasury Rate² applied to deferred accounts in amortization rather than the authorized Rate of Return (ROR) originally proposed by PGE.
3. PGE's authorized Return on Equity (ROE) shall be reduced by ten (10) basis points to reflect the reduction in the Company's risk and PGE should file an application to defer the revenue requirement effect of this change until it can be reflected in base rates.
4. The SNA and LRRRA mechanisms will terminate two years after the effective date of the approved tariffs unless extended by the Commission. During the two-year period parties are encouraged to convene and to evaluate and recommend revisions in the mechanisms.

The Commission ordered the Company to file a revised Schedule 123 and a deferred accounting application consistent with the terms of Order No. 09-020 no later than 15 days from the date the Order was issued, or to notify the Commission of its decision not to file such a decoupling tariff. On January 30, 2009, PGE submitted a request for approval to defer revenues associated with the SNA, the LRRRA, and refund of Return on Equity (ROE). PGE also submitted, as a compliance filing, Advice No. 09-01, Schedule 123, which set forth both the mechanics and certain rate parameters of the SNA and the LRRRA, requesting an effective date of February 1, 2009.

Application to Defer

PGE's mechanisms make use of a two-step process. First, PGE will defer certain revenues pursuant to formulas outlined in Schedule 123. At a later date, PGE will ask to amortize resulting credits or debits into customer rates.

¹ See Commission Order No. 09-020 pages 28-30 for all modifications and conditions.

² See Commission Order No. 08-263 page 15 for a description of the Modified Blended Treasury Rate.

PGE UM 1417
April 28, 2009
Page 3

PGE proposes to use three separate accounts to record deferrals associated with the SNA and LRRRA mechanisms and the ROE³ refund ordered by the Commission. The SNA deferral account will be composed of two subaccounts so that net accruals for the residential schedule (Schedule 7) will track separately from the net accruals for the commercial schedules (Schedules 32 and 532).

For the ROE refund, the Company proposes to credit FERC Account 229 (Accumulated Provision for Rate Refunds) and debit FERC Account 449.1(Provision for Rate Refunds).

For the LRRRA and SNA deferral accounts, the Company proposes to record the deferred amounts to FERC Account 182.3 (Regulatory Assets) if the deferred amount is to be collected from customers and FERC Account 254 (Regulatory Liabilities) if the deferred amount is to be refunded to customers. The corresponding debit or credit for the LRRRA and SNA accounts will be to FERC Account 456 (Other Revenue). As indicated in Commission Order No. 09-020, each of the deferred accounts will accrue interest at the Modified Blended Treasury Rate.

PGE states in its application that the deferred accounting treatment complies with Oregon Revised Statute (ORS) 757.259 because if granted, such treatment will minimize the frequency of rate changes and match appropriately the costs borne by and benefits received by customers.

Advice No. 09-01

Since Advice No. 09-01 was considered a compliance filing, Schedule 123, as filed on January 30, 2009, went into effect on February 1, 2009. Having insufficient time to review the filing on other than a cursory basis, Staff requested and the Company agreed to a collaborative process by which clarifying language changes and other refinements consistent with the Commission's ruling could be incorporated into Schedule 123. That process was completed, and on April 9, 2009, Staff circulated to parties on the Docket No. UE 197 service list both the original version of the tariff and a version containing the changes. While feedback and suggestions regarding the changes were requested, none were received. On April 21, 2009, PGE filed as Advice No. 09-11 a revised Schedule 123 tariff incorporating the changes developed in the collaborative process. PGE included in the advice filing a request to waive OAR 860-022-0020 for Less than Statutory Notice.

³ Interest will accrue at the Modified Blended Treasury rate consistent with the deferrals related to SNA and LRRRA.

PGE UM 1417
April 28, 2009
Page 4

The revised Schedule 123 tariff in Advice No. 09-11 includes a small reduction to the Lost Revenue rate,³ yielding a slight benefit to the applicable nonresidential customers. The LRRRA component of Schedule 123 is a limited revenue recovery mechanism associated with the reduced kWh sales attributable to incremental energy efficiency funding supplied by the Energy Trust of Oregon (ETO) to the applicable PGE customers. Incremental energy efficiency funding is funding incremental to that provided through Schedule 108, Public Purpose Charge. The Company, in an April 28, 2009, e-mail communication to Staff, accepted Staff's position that when PGE applies in 2010 for authorization to amortize the LRRRA deferral balance, the Company will apply the Lost Revenue rate in Advice No. 09-11, not the rate in Advice No. 09-01.

This Staff Report includes two exhibits: Attachment A, the version of Schedule 123 filed on January 30, 2009; and Attachment B, the final version of the tariff as filed by PGE on April 21, 2009,⁴ which Staff recommends be approved.

Issue related to Advice No. 09-01

PGE's Advice No. 09-01 (filed on January 30, 2009) notes two impacts associated with Schedule 123 that the Company considers effective as of the February 1, 2009, effective date of Schedule 123. The first impact is a reduction in PGE's Commission-authorized Rate of Return (which is generally used to accrue interest on deferred accounts prior to amortization) from 8.33 percent annually to 8.28 percent annually due to the reduction in authorized ROE. The second impact is a reduction in both the net-to-gross and effective tax ratios used for SB408 purposes consistent with the ten basis point reduction in authorized ROE.

Staff concurs with the simultaneity of effective dates for these impacts with the effective date of Schedule 123.

³ The Lost Revenue rate is reduced from the 3.280 cents per kWh in Advice No. 09-01 to 3.142 cents per kWh in Advice No. 09-11.

⁴ PGE's April 21, 2009, filings included a supplemental filing consisting of the replacement to Sheet No. 123-2.

PGE UM 1417
April 28, 2009
Page 5

PROPOSED COMMISSION MOTION:

The Commission approve PGE's request to defer revenues associated with the Sales Normalization Adjustment, the Lost Revenue Recovery Adjustment, and the refund of Return on Equity effective February 1, 2009; and

Authorize the revisions to Schedule 123, Sales Normalization Adjustment and Lost Revenue Recovery Adjustment, effective May 6, 2009, with Less than Statutory Notice.

UM 1417 PGE Decoupling Deferral and Schedule 123

**SCHEDULE 123
SALES NORMALIZATION ADJUSTMENT**

PURPOSE

This Schedule establishes a balancing account and rate adjustment mechanism to track and mitigate a portion of the transmission, distribution and fixed generation revenue variations caused by variations in applicable Customer Energy usage.

AVAILABLE

In all territory served by the Company.

APPLICABLE

To all Residential and Nonresidential Customers located within the Company's service territory except those Nonresidential Customers whose load exceeded one aMW at a Point of Delivery during the prior calendar year or those Nonresidential Customers qualifying as a Self-Directing Customer. Customers so exempted will not be charged the prices contained in this schedule.

DEFINITIONS

For the purposes of this tariff, the following definition will apply:

Energy Efficiency Measures (EEMs) – Actions that enable customers to reduce energy use. EEMs can be behavioral or equipment-related.

Self-Directing Customer (SDC) - Pursuant to OAR 860-038-0480, to qualify to be a SDC, the Large Nonresidential Customer must have a load that exceeds one aMW at a Site as defined in Rule B and receive certification from the Oregon Department of Energy as an SDC.

SALES NORMALIZATION ADJUSTMENT (SNA)

The SNA reconciles on a monthly basis, for Customers served under Schedules 7, 32 and 532, differences between a) the monthly revenues resulting from applying distribution, transmission and fixed generation charges (Fixed Charge Energy Rate) of 4.646 cents/kWh for Schedule 7 and 4.221 cents/kWh for Schedules 32 and 532 to weather-normalized kWh Energy sales, and 2) the Fixed Charge Revenues that would be collected by applying the Monthly Fixed Charge per Customer of \$41.38 per month for Schedule 7 and \$63.47 per month for Schedules 32 and 532 to the number of active Schedule 7 and Schedule 32 and 532 Customers respectively for each month.

The SNA will calculate monthly as the Fixed Charge Revenue less actual weather-adjusted revenues and will accrue to the SNA Balancing Account. Such monthly amount which may be positive (an undercollection) or negative (an overcollection) will accrue to the Sales Normalization Balancing Account.

Advice No. 09-01
Issued January 30, 2009
Maria M. Pope, Senior Vice President

Effective for service
on and after February 1, 2009

SCHEDULE 123 (Continued)

NONRESIDENTIAL LOST REVENUE RECOVERY

The Nonresidential Lost Revenue Recovery Adjustment is applicable to all customers except those served under Schedules 7, 32 and 532 or otherwise as exempted above. Nonresidential Lost Revenue Recovery amounts will be equal to the reduction in distribution, transmission, and fixed generation revenues due to the reduction in kWh sales as reported to the Company by the Energy Trust of Oregon, resulting from EEMs implemented during the prior calendar years attributable to EEM funding incremental to Schedule 108, adjusted for EEM program kWh savings incorporated into the test year load forecast used to determine base rates. When base rates are adjusted in the future as a result of a general rate review, the test year load forecast used to determine new base rates will reflect all energy efficiency kWh savings that have been previously achieved. The cumulative kWh savings are eligible for Lost Revenue Recovery until new base rates are established as a result of a general rate review; the kWh base is then reset to equal the amount of kWh savings that accrue from EEMs following an adjustment in base rates.

Lost Revenue Recovery may be positive or negative. Negative Lost Revenue Recovery will occur if actual kWh savings are less than estimated in setting base rates.

For the purposes of this Schedule, Lost Revenue Recovery is the product of the reduction in kWh sales resulting from ETO-reported EEMs and the weighted average of applicable retail base rates (the Lost Revenue Rate). Applicable base rates for Nonresidential Customers are defined as the schedule weighted average of transmission, distribution, and fixed generation charges including those contained in Schedules 120 and 122. Schedules 32 and 532 are not included in the weighted average base rate calculation. System usage charges will be adjusted to include only the recovery of Trojan Decommissioning expenses and the Customer Impact Offset. As of the effective date of this schedule, the applicable Lost Revenue Rate is 3.280 cents per kWh.

SALES NORMALIZATION ADJUSTMENT AND LOST REVENUE BALANCING ACCOUNT

The Company will maintain a separate balancing account for the SNA, applicable to Schedules 7, 32 and 532 and for the Nonresidential Lost Revenue Recovery for the remaining applicable nonresidential Schedules. The balancing accounts will record over- and under-collections resulting from differences as determined by the SNA and Lost Revenue Recovery mechanisms. The accounts will accrue interest at the Commission-authorized rate for deferred accounts.

Advice No. 09-01
Issued January 30, 2009
Maria M. Pope, Senior Vice President

Effective for service
on and after February 1, 2009

SCHEDULE 123 (Continued)

SALES NORMALIZATION ADJUSTMENT (SNA)

The Adjustment Rates, applicable for service on and after the effective date of this schedule will be:

Schedule	Adjustment Rate
7	0.000 ¢ per kWh
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
76R	
Secondary	0.000 ¢ per kWh
Primary	0.000 ¢ per kWh
Subtransmission	0.000 ¢ per kWh
83	
Secondary	0.000 ¢ per kWh
Primary	0.000 ¢ per kWh
87	
Secondary	0.000 ¢ per kWh
Primary	0.000 ¢ per kWh
Subtransmission	0.000 ¢ per kWh
89	
Secondary	0.000 ¢ per kWh
Primary	0.000 ¢ per kWh
Subtransmission	0.000 ¢ per kWh
91	0.000 ¢ per kWh
92	0.000 ¢ per kWh
93	0.000 ¢ per kWh
94	0.000 ¢ per kWh

Advice No. 09-01
Issued January 30, 2009
Maria M. Pope, Senior Vice President

Effective for service
on and after February 1, 2009

SCHEDULE 123 (Continued)

SALES NORMALIZATION ADJUSTMENT (SNA) (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>
483	
Secondary	0.000 ¢ per kWh
Primary	0.000 ¢ per kWh
489	
Secondary	0.000 ¢ per kWh
Primary	0.000 ¢ per kWh
Subtransmission	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
576R	
Secondary	0.000 ¢ per kWh
Primary	0.000 ¢ per kWh
Subtransmission	0.000 ¢ per kWh
583	
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
591	0.000 ¢ per kWh
592	0.000 ¢ per kWh
594	0.000 ¢ per kWh

Advice No. 09-01
Issued January 30, 2009
Maria M. Pope, Senior Vice President

Effective for service
on and after February 1, 2009

SCHEDULE 123 (Concluded)

TIME AND MANNER OF FILING

Commencing in 2010, the Company will submit to the Commission the following information by April 1 of each year:

1. The proposed price changes to this Schedule to be effective on June 1st of the submittal year based on a) the amount in the SNA Balancing Account at the end of the previous calendar year, and b) the amount in the Lost Revenue Recovery Balancing Account amount at the end of the previous calendar year.
2. Revisions to this Schedule which reflect the new proposed prices and supporting work papers.
3. The status of the SNA and Lost Revenue Balancing Accounts.

SPECIAL CONDITIONS

1. The Fixed Charge Energy Rate, Monthly Fixed Charge per Customer Rate and the Lost Revenue Rate will be updated concurrently with a change in the applicable base revenues used to determine the charge.
2. Weather-normalized energy usage by applicable rate schedule will be determined in a manner equivalent to that determination of forecasted loads used to set rates.
3. No revision to the Sales Normalization Adjustment Rates will result in an estimated average annual rate increase greater than 2% to the applicable SNA rate schedules or to the applicable Lost Revenue Recovery rate schedules based on the net rates in effect on the effective date of the rate revision under this schedule. Any remaining amounts in the Balancing Accounts will be included in subsequent revisions to the Sales Normalization Rates. Rate revisions resulting in a rate decrease are not subject to the 2% limit.
4. The SNA and Lost Revenue Recovery will terminate two years after the effective date of this schedule if not extended by the Commission. The Company may request an extension of the mechanism or a revised mechanism no later than three months before the scheduled expiration of this schedule. The Commission may condition extension of the existing, or a modified, mechanism on the filing of a general rate case.

Advice No. 09-01
Issued January 30, 2009
Maria M. Pope, Senior Vice President

Effective for service
on and after February 1, 2009

**SCHEDULE 123
SALES NORMALIZATION ADJUSTMENT**

PURPOSE

This Schedule establishes balancing accounts and rate adjustment mechanisms to track and mitigate a portion of the transmission, distribution and fixed generation revenue variations caused by variations in applicable Customer Energy usage.

(T)

AVAILABLE

In all territory served by the Company.

APPLICABLE

To all Residential and Nonresidential Customers located within the Company's service territory except those Nonresidential Customers whose load exceeded one aMW at a Point of Delivery during the prior calendar year or those Nonresidential Customers qualifying as a Self-Directing Customer. Customers so exempted will not be charged the prices contained in this schedule.

DEFINITIONS

For the purposes of this tariff, the following definition will apply:

Energy Efficiency Measures (EEMs) – Actions that enable customers to reduce energy use. EEMs can be behavioral or equipment-related.

Self-Directing Customer (SDC) - Pursuant to OAR 860-038-0480, to qualify to be a SDC, the Large Nonresidential Customer must have a load that exceeds one aMW at a Site as defined in Rule B and receive certification from the Oregon Department of Energy as an SDC.

SALES NORMALIZATION ADJUSTMENT (SNA)

The SNA reconciles on a monthly basis, for Customers served under Schedules 7, 32 and 532, differences between a) the monthly revenues resulting from applying distribution, transmission and fixed generation charges (Fixed Charge Energy Rate) of 4.646 cents/kWh for Schedule 7 and 4.221 cents/kWh for Schedules 32 and 532 to weather-normalized kWh Energy sales, and b) the Fixed Charge Revenues that would be collected by applying the Monthly Fixed Charge per Customer of \$41.38 per month for Schedule 7 and \$63.47 per month for Schedules 32 and 532 to the numbers of active Schedule 7 and Schedule 32 and 532 Customers, respectively, for each month.

(T)

(T)

The SNA will calculate monthly as the Fixed Charge Revenue less actual weather-adjusted revenues and will accrue to the SNA Balancing Account. The monthly amount accrued may be positive (an under-collection) or negative (an over-collection). The SNA is divided into sub-accounts so that net accruals for Schedule 7 will track separately from the net accruals for Schedules 32 and 532.

(T)

(N)

(N)

Advice No. 09-11
Issued April 21, 2009
Maria M. Pope, Senior Vice President

Effective for service
on and after May 6, 2009

SCHEDULE 123 (Continued)

NONRESIDENTIAL LOST REVENUE RECOVERY ADJUSTMENT (LRRRA)

(T)

The Nonresidential Lost Revenue Recovery Adjustment is applicable to all customers except those served under Schedules 7, 32 and 532 or as otherwise exempted above. Nonresidential Lost Revenue Recovery amounts will be equal to the reduction in distribution, transmission, and fixed generation revenues due to the reduction in kWh sales as reported to the Company by the Energy Trust of Oregon, resulting from EEMs implemented during prior calendar years attributable to EEM funding incremental to Schedule 108, adjusted for EEM program kWh savings incorporated into the test year load forecast used to determine base rates. When base rates are adjusted in the future as a result of a general rate review, the test year load forecast used to determine new base rates will reflect all energy efficiency kWh savings that have been previously achieved. The cumulative kWh savings are eligible for Lost Revenue Recovery until new base rates are established as a result of a general rate review; the kWh base is then reset to equal the amount of kWh savings that accrue from EEMs following an adjustment in base rates.

(T)

(T)

The Lost Revenue Recovery Adjustment may be positive or negative. A negative Lost Revenue Recovery Adjustment for a given test year will occur if kWh savings reported by the Energy Trust of Oregon are less than those estimated in setting base rates. A positive Lost Revenue Recovery Adjustment for a given test year will occur if kWh savings reported by the Energy Trust of Oregon are greater than those estimated for the test year in setting base rates. The LRRRA for each year subsequent to the test year will incorporate incremental kWh savings reported by the Energy Trust of Oregon for that year.

(T)

(C)

(N)

(N)

For the purposes of this Schedule, the Lost Revenue Recovery Adjustment is the product of the reduction in kWh sales resulting from ETO-reported EEMs and the weighted average of applicable retail base rates (the Lost Revenue Rate). Applicable base rates for Nonresidential Customers are defined as the schedule-weighted average of transmission, distribution, and fixed generation charges; including those contained in Schedule 122 and other applicable schedules. System usage or distribution charges will be adjusted to include only the recovery of Trojan Decommissioning expenses and the Customer Impact Offset. Franchise fee recovery is not included in the Lost Revenue Rate. The applicable Lost Revenue Rate is 3.142 cents per kWh.

(T)

(C)

(C)(R)

SNA and LRRRA BALANCING ACCOUNTS

(T)

The Company will maintain a separate balancing account for the SNA, applicable to Schedules 7, 32 and 532, and for the Nonresidential LRRRA for the remaining applicable nonresidential Schedules. Each balancing account will record over- and under-collections resulting from differences as determined, respectively, by the SNA and LRRRA mechanisms. The accounts will accrue interest at the Commission-authorized Modified Blended Treasury Rate established for deferred accounts.

(T)

(T)

(T)

(C)

Advice No. 09-11
 Issued April 21, 2009
 Maria M. Pope, Senior Vice President

Effective for service
 on and after May 6, 2009

SCHEDULE 123 (Concluded)

TIME AND MANNER OF FILING

Commencing in 2010, the Company will submit to the Commission the following information by April 1 of each year:

1. The proposed price changes to this Schedule to be effective on June 1st of the submittal year based on a) the amount in the SNA Balancing Account at the end of the 12-month period commencing on February 1, 2009, and at the end of each succeeding 12-month period and b) the amount in the LRRR Balancing Account at the end of the previous calendar year. (C)
(C)
(T)
2. Revisions to this Schedule which reflect the new proposed prices and supporting work papers detailing the calculation of the new proposed prices and the SNA weather-normalizing adjustments. (N)
(N)
3. The status of the SNA and LRRR Balancing Accounts. (T)

SPECIAL CONDITIONS

1. The Fixed Charge Energy Rate, Monthly Fixed Charge per Customer and the Lost Revenue Rate will be updated concurrently with a change in the applicable base revenues used to determine the rates. (T)
(T)
2. Weather-normalized energy usage by applicable rate schedule will be determined in a manner equivalent to that used for determining the forecasted loads used to establish base rates. (T)
(T)
3. No revision to any SNA or LRRR Adjustment Rate will result in an estimated average annual rate increase greater than 2% to the applicable SNA or LRRR rate schedule, based on the net rates in effect on the effective date of the Schedule 123 rate revisions. Any remaining amount in a Balancing Account due to the 2% limitation will be included in subsequent revisions to the applicable Sales Normalization Rate(s). Rate revisions resulting in a rate decrease are not subject to the 2% limit. (T)
(C)
|
(C)
4. The SNA and LRRR mechanisms will terminate on January 31, 2011 if not extended by the Commission. The Company may request an extension of the mechanism or a revised mechanism no later than three months before the scheduled expiration of this schedule. The Commission may condition extension of the existing, or a modified, mechanism on the filing of a general rate case. (C)