

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1402(1)

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY

Application for Reauthorization of Deferral  
of Incremental Administrative Costs  
Associated with the Trojan Refund.

ORDER

**DISPOSITION: DEFERRED ACCOUNTING APPROVED**

On November 5, 2008, Portland General Electric Company (PGE) filed a request with the Public Utility Commission of Oregon (Commission), pursuant to ORS 757.259, to defer the incremental administrative costs associated with the Trojan Refund. On April 14, 2009, Order No. 09-133 granted authorization to defer approximately \$1.25 million for the time period between November 5, 2008 and November 4, 2009. PGE states that the actual accrued costs between November 2008 and November 2009 were approximately \$1.40 million.

On November 4, 2009, PGE filed an application requesting to defer an additional \$738,000 associated with the incremental costs to implement the Trojan Refund. The details of the filing and Staff's recommendation are described in Staff's Report, attached as Appendix A, and incorporated by reference.

At its Public Meeting on November 24, 2009, the Commission adopted Staff's recommendation.

**ORDER**

IT IS ORDERED that:

1. Portland General Electric Company's request to defer the incremental administrative costs associated with the Trojan Refund is approved, effective November 5, 2009.

2. Ratemaking treatment should be reserved for a ratemaking proceeding.

Made, entered, and effective DEC 02 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 NO. CA6

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: November 24, 2009**

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE November 5, 2009

DATE: November 9, 2009

TO: Public Utility Commission

FROM: Carla Owings *CO*

THROUGH: *in* Lee Sparling, *EB* Ed Busch and *EB for* Judy Johnson

**SUBJECT:** PORTLAND GENERAL ELECTRIC: (Docket No. UM 1402(1)) Requests authorization to defer additional incremental administrative costs associated with the Trojan Refund.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve Portland General Electric's request to be allowed to defer (under ORS 757.259) incremental administrative costs associated with the Trojan Refund. Ratemaking treatment should be reserved for a ratemaking proceeding.

**DISCUSSION:**

On November 5, 2008, Portland General Electric (PGE) requested authorization to defer incremental administrative costs associated with the Trojan Refund. Commission Order No. 08-487 (UE 88, DR 10, UM 989) states that PGE may request a deferral of incremental administrative costs associated with the refund mechanism. Commission Order 09-133 granted authorization to defer approximately \$1.25 million for the time period between November 5, 2008 and November 4, 2009. PGE states that the actual accrued costs between November 2008 and November 2009 were approximately \$1.40 million.

On November 4, 2009, PGE filed an application requesting to defer an additional \$738,000 associated with the incremental costs to implement the Trojan Refund. PGE states the costs are associated with internal printing and mailing expenses related to letters and claim forms. PGE states that it will make available the review of these costs to the Commission.

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PGE seeks deferred accounting treatment of incremental administrative costs associated with the refund mechanism pursuant to ORS 757.259(2)(e). PGE states that the granting of this deferral will minimize the frequency of rate changes and match appropriately the costs borne by and benefits received by customers.

Proposed Accounting

The proposed deferral would be recorded as a regulatory asset in FERC account 182.3, Other Regulatory Assets, with a credit to FERC account 407.4, Regulatory Credits. In the absence of a deferred accounting order from the Commission, PGE would need to record costs to several different FERC accounts, including FERC account 920, Administrative and General Salaries.

Estimated Deferrals in Authorization Period

PGE estimates the amount subject to the deferral for this period would be an additional \$738,000. For the two combined periods the total deferral would be approximately \$2.14 million.

**PROPOSED COMMISSION MOTION:**

Portland General Electric's request to be allowed to defer incremental administrative costs associated with the Trojan Refund be approved effective November 5, 2009. Ratemaking treatment should be reserved for a ratemaking proceeding.

PGE – UM 1402(1) Defer Incremental Admin Costs – Trojan Refund