

ITEM NO. CA19

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 23, 2008

REGULAR _____ CONSENT X EFFECTIVE DATE January 1, 2009

DATE: December 15, 2008

TO: Public Utility Commission

FROM: Ed Durrenberger

THROUGH: Lee Sparling, Ed Busch and Bonnie Tatom

SUBJECT: PORTLAND GENERAL ELECTRIC: (Advice No. 08-19) Revises
Schedule 130, the Shopping Incentive Recovery Adjustment (Part B).

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Portland General Electric's Advice No. 08-19, as filed on November 26, 2008, to become effective January 1, 2009.

DISCUSSION:

On November 26, 2008, Portland General Electric (PGE) filed Advice No. 08-19 to become effective January 1, 2009. The filing was made in accordance with ORS 757.205, *Filing Rate Schedules with the Commission*. PGE has made this filing to establish the Shopping Incentive Recovery Adjustment needed to recover the estimated \$738,000 needed to pay for shopping credits that will be claimed by eligible customers who acquire electricity from an Electricity Service Supplier (ESS) during the year.

PGE estimates, based on the results of the fall opt-out window activity, that the 2009 shopping credit load will be 375,589 MWh. This is about 6% of the overall qualifying customer load, well within the 10% limit established by the tariff. The Shopping Credit Incentive Recovery Adjustment is calculated by first multiplying this shopping credit load by the shopping credit (3 mills/kWh or \$3/MWh). This produces an estimated 2009 shopping credit recovery amount of \$1.13 million. Next, the shopping credit recovery amount is adjusted for any prior year left over credit or debit plus interest, in this case, a \$388,000 credit. This leaves the shopping credit adjustment amount of \$738,000. Dividing this amount by the total qualifying load of 6.37 million MWh produces the Shopping Incentive Recovery Adjustment rate of 0.012 cents/ kWh. The rate is to be assessed on all large nonresidential customers receiving service of Schedules 38, 83, 89, 538, 583 and 589.

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Staff has reviewed PGE's cost support and finds that the Shopping Credit Recovery Adjustment is correctly calculated in compliance with the overall provisions of this tariff. Therefore, staff recommends that the Commission approve the tariff.

PROPOSED COMMISSION MOTION:

Portland General Electric's Advice No. 08-19, as filed on November 26, 2008, be allowed to go into effect January 1, 2009.