



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

June 22, 2015

E-File and US Mail
puc.filingcenter@state.or.us.

Commission Filing Center
Public Utility Commission of Oregon
201 High Street, SE
P. O. Box 1088
Salem, OR 97308-1088

Re: UM 1103 PGE's Application for Reauthorization to Defer Intervenor Funding Costs

Pursuant to ORS 757.259 and OAR 860-027-0300, enclosed is an Application of Portland General Electric Company for Reauthorization to Defer Intervenor Funding Costs. Per OAR 860-027-0300(2), the authorized deferral will expire 12-months from the date the deferral was reauthorized, or June 30, 2015.

A Notice of Application regarding the filing is attached to this filing, and we have provided notification to the UE 294 and UM 1103 service lists.

If you have any questions or require further information, please call me at (503) 464-7580, or Launa Harmon at (503) 464-7251. Please direct all formal correspondence, questions, or requests to the following e-mail address pge.opuc.filings@pgn.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick G. Hager", is written over the word "Sincerely,".

Patrick G. Hager
Manager, Regulatory Affairs

PGH/kr
encls.

cc: UE 294 and UM 1103 service lists

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1103

In the Matter of the Application of)	
PORTLAND GENERAL ELECTRIC COMPANY)	Application For Reauthorization
For an Accounting Order Approving Deferral of Costs)	To Defer Intervenor Funding
Related to Intervenor Funding)	Costs

Pursuant to OAR 860-027-0300, ORS 757.259 (3), ORS 757.072, the Oregon Public Utility Commission (the "Commission") Intervenor Funding Order No. 03-388, and the latest reauthorization, Commission Order No. 14-270, which approved Portland General Electric Company's ("PGE's") Intervenor Funding Deferral, PGE requests reauthorization to defer and amortize intervenor funding costs, as described below, for the 12-month period July 1, 2015 through June 30, 2016.

I. Deferral History:

Commission Order No. 03-388 approved an agreement, pursuant to the Intervenor Funding Act, between PGE, Pacific Power and Light (dba PacifiCorp), Northwest Natural Gas Company, Northwest Industrial Gas Users, Citizens' Utility Board of Oregon ("CUB"), and Industrial Customers of Northwest Utilities ("ICNU"), dated February 3, 2003 (the "Intervenor Funding Agreement"). This agreement specified the terms and conditions for intervenor funding grants, funding amounts to be contributed by each utility, and the payment of grants by utilities into three funds, which include the CUB Fund, the Pre-authorized Matching Fund, and the Issue Fund.

PGE filed an application with the OPUC for an accounting order authorizing PGE to defer these costs, which was approved and adopted by the Commission on September 11, 2003, in Order No. 03-561. Table 1 below lists reauthorization details for this deferral.

On December 19, 2007, the OPUC approved the First Amended and Restated Intervenor Funding Agreement (“IFA”), extending intervenor funding through December 12, 2012 (Order 07-564). On November 20, 2012, a Second Amended and Restated Intervenor Funding Agreement became effective through Order No. 12-452, renewing the term through December 31, 2017. These two amendments extend the term, amend and clarify the use of funds for dockets that extend over two or more calendar years, modify terms and conditions, and change the funding amounts to be contributed by each utility. Order No. 12-452 supersedes and replaces all previous IFA orders.

PGE filed and received reauthorization for this deferral, as shown below.

Table 1

Filing Date	Renewal Period	Order No.	Approval Date
8/11/03	6/30/04	03-561*	9/17/03
5/20/04	7/01/04-6/30/05	04-363	6/28/04
5/13/05	7/01/05-6/30/06	05-816	6/29/05
6/07/06	7/01/06-6/30/07	06-412	7/17/06
6/07/07	7/01/07-6/30/08	07-324	7/27/07
6/05/08	7/01/08-6/30/09	08-442	8/28/08
6/02/09	7/01/09-6/30/10	09-268	7/13/09
6/15/10	7/01/10-6/30/11	10-342	9/2/10
6/22/11	7/01/11-6/30/12	11-282	08/1/11
6/29/12	7/01/12-6/30/13	12-311	8/14/12
6/27/13	7/01/13-6/30/14	13-287	8/06/13
6/26/14	7/01/14-6/30/15	14-270	7/01/14

* Initial Application

Pursuant to Commission Orders listed above, PGE respectfully requests an Order reauthorizing the deferral for later rate-making treatment of all payments made by PGE between July 1, 2015 and June 30, 2016, to intervenors under the three intervenor funds established according to the IFA.

II. OAR 860-027-0030 Requirements:

The following is provided pursuant to ORS 860-027-0300(3):

- a. Description of utility expense or revenue

For the 12-month period of July 1, 2015 through June 30, 2016, PGE seeks reauthorization to continue recording, in a deferred account, all amounts it is required to pay to the CUB Fund, the Pre-authorized Matching Fund, and the Issue Fund.

b. Reasons for Deferral

PGE will continue to incur Intervenor Funding expenses until December 12, 2017, pursuant to the renewed IFA by OPUC Order No. 12-452. PGE wishes to continue to use the deferral mechanism as approved, including any expenses accrued, under an amended agreement. Without reauthorization, the current authorization to defer costs will expire on June 30, 2015.

Commission Order No. 03-561 authorized PGE's accounting process for the grant funds. PGE has been deferring funds pursuant to the Intervenor Funding Agreement since 2003, and the latest Commission Order No. 14-270, is about to expire. PGE requests that the deferral continue. Moreover, PGE requests that the additional amounts it is required to pay to the three funds during the period of July 1, 2015 through June 30, 2016, be treated similarly.

c. Proposed Accounting

PGE proposes to record all deferred costs in FERC Account 182.3 (Other Regulatory Assets). In the absence of a deferred accounting order from the Commission, PGE would record costs associated with the intervenor funding costs to FERC account 928 Regulatory Commission Expenses.

d. Amounts Subject to Deferral and Estimates of Amounts

PGE anticipates the maximum amounts to be deferred, during the 12-month period subsequent to the filing of this Application, will be¹:

¹ The Intervenor Funding Agreement was amended and restated through OPUC Order No. 12-452, extending intervenor funding until December 31, 2017.

<u>CUB FUND</u>	<u>MATCHING FUND</u>	<u>ISSUE FUND</u>
\$66,125	\$66,125	\$143,750

Based on this, PGE estimates the intervenor funding account balances will be:

<u>Fund Description</u>	<u>June 2015 Balance</u>	<u>2016 Accrual</u>	<u>JUNE 2016 Estimated Balance</u>
CUB	248,777.49	66,125	314,902.49
MATCHING	188,083.57	66,125	254,208.57
ISSUE	527,064.91	143,750	667,811.91
	<u>\$963,925.97</u>	<u>\$276,000</u>	<u>\$1,236,922.97</u>

PGE began amortization of these funds through Advice 07-029, which became effective January 1, 2008.

The IFA permits intervenors to request grants from the various funds at any time during the calendar year, though the deferral periods have generally run from July 1 to June 30. Amounts will be debited to the deferral account as funds are actually disbursed. *See* Commission Order No. 03-561, Appendix A, Page 3. Balances in the funds may rollover into the following year if intervenors do not use the entire amount available, and some funds (the CUB and Matching Funds) permit intervenors to request advances from future-year funds.

Pursuant to the terms of the IFA, individual fund costs will be allocated to the appropriate customer class: the CUB fund will be charged to residential customers; the Pre-authorized Matching Fund will be charged to industrial customers, and the Issue Fund costs will be aligned and allocated to keep the intended beneficiaries of the advocacy undertaken on their behalf.

e. Notice

A copy of the Notice of Application for Reauthorization to Defer Intervenor Funding Costs and a list of the persons served with the notice are attached to the Application as Attachment A.

(OAR 860-027-0300 [6]).

III. The following is provided pursuant to OAR 860-027-0300(4):

a. Description of Deferred Account Entries between July 2015 and June 2016:

Please see section II (d) above for balances and accruals as of June 30, 2015.

b. The reason for continuing deferred accounting

PGE is seeking approval to continue the Intervenor Funding Deferral pursuant to the latest Commission Order No. 14-270 as described in Section (II)(b) above.

IV. PGE Contacts: The authorized address to receive notices and communications in respect of this Application is:

Patrick G. Hager
Rates & Regulatory Affairs
Portland General Electric Company
121 SW Salmon Street, 1WTC0702
Portland, OR 97204
(503) 464-7857 (telephone)
(503) 464-7651 (facsimile)
pge.opuc.filings@pgn.com

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Associate General Counsel
Portland General Electric Company
121 SW Salmon Street, 1 WTC1301
Portland, OR 97204
(503) 464-8926 (telephone)
(503) 464-2200 (facsimile)
doug.tingey@pgn.com

In addition, the names and addresses to receive notices and communications via the e-mail service list are:

Launa Harmon
E-Mail: Launa.Harmon@pgn.com

V. Summary of Filing Conditions²:

Information related to future amortization is listed below:

a. Earnings Review: None Required. The deferral is made in accordance with Commission Order No. 03-388, which states: "The Commission shall allow the Participating Public

² PGE and OPUC Staff agreed to provide a summary of filing conditions on January 24, 2012.

Utilities to recover in rates all amounts paid for Intervenor Funding Grants under this Agreement. If a Participating Public Utility seeks rate recovery through a deferred account, the account and amortization of the account shall be exempt from the amortization caps and earnings test set forth in subsections 4, 5, and 7 of ORS 757.259”.

b. Prudence: A prudence review will be performed prior to amortization.

c. Sharing (Percents): Not subject to sharing mechanism.

d. Rate Spread/Rate Design: See Section II (c) above. Rates are spread on a cents per kilowatt-hour basis.

e. Three Percent Test (ORS 757.259(6)) – The three percent does not apply to amortization of this deferral.

VI. Conclusion

For the reasons stated above, PGE requests permission to continue to defer the existing balances in the deferred account and authorization to defer any additional Intervenor Funding costs paid by PGE during the period July 1, 2015 to June 30, 2016.

DATED this 22th day of June, 2015.

Respectfully Submitted,



Patrick G. Hager
Manager, Regulatory Affairs
On Behalf of
Portland General Electric Company

um 1103_ pge reauth app_(6-22-15).docx

Attachment A

**Notice of Application for Reauthorization
to Defer Intervenor Funding Costs**

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1103**

In the Matter of the Application of Portland
General Electric Company for an Order to
Reauthorize the Deferral of Intervenor
Funding Costs

Notice of Application
For Reauthorization
To Defer Intervenor
Funding Costs

On June 22, 2015, Portland General Electric Company ("PGE") filed an Application with the Oregon Public Utility Commission (the "Commission") for an Order reauthorizing deferral of its intervenor funding costs.

Approval of PGE's Application will not authorize a change in PGE's rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

Persons who wish to obtain a copy of PGE's application will be able to access it on the OPUC website.

Any person who wishes to submit written comments to the Commission on PGE's Application must do so no later than July 23, 2015.

Dated this 22nd day of June, 2015.



Patrick G. Hager
Manager, Regulatory Affairs
On Behalf of
Portland General Electric Company

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing **Notice of Application for Reauthorization to Defer Intervenor Funding Costs** to be served by Electronic Mail to those parties whose e-mail addresses appear on the attached service lists for OPUC Dockets No. UE 294 and UM 1103.

Dated at Portland, Oregon, this 22nd day of June, 2015.



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SERVICE LIST
OPUC DOCKET # UE 294

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**SERVICE LIST
OPUC DOCKET #UM 1103**

**PORTLAND GENERAL
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**PUBLIC UTILITY
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