

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 18, 2012**

**REGULAR** \_\_\_\_\_ **CONSENT**  X  **EFFECTIVE DATE**  January 1, 2013

**DATE:** December 11, 2012

**TO:** Public Utility Commission

**FROM:** Juliet Johnson

**THROUGH:** Jason Eisdorfer and Maury Galbraith

**SUBJECT:** PORTLAND GENERAL ELECTRIC: (Advice No. 12-22) Updates the Energy Efficiency Adjustment through Schedule 109.

**STAFF RECOMMENDATION:**

Staff recommends the Commission authorize Portland General Electric's (PGE or Company) Schedule 109 tariff revisions, as described in Advice 12-22, effective January 1, 2013. Staff also recommends the Commission authorize PGE to transfer \$850,000 from Schedule 110 balancing account to Energy Trust of Oregon (Energy Trust or ETO).

**DISCUSSION:**

The purpose of this filing is to provide for additional cost-effective energy efficiency (EE) funding for the Energy Trust through PGE's Schedule 109, above what is collected through the Public Purpose Charge. Schedule 109 is applicable to all residential and nonresidential customers whose load does not exceed one aMW during the prior calendar year. Nonresidential customers who self-direct their portion of the public purpose dollars are also excluded from schedule 109 charges.

PGE proposes to increase collections through this schedule by \$8 million for a total incremental funding level of \$50 million in 2013. This increase corresponds to a total estimated *conservative* EE savings target of 29.2 aMW. A Schedule 7 residential customer using 900 kWh monthly would see a bill increase of \$0.54, or 0.55 percent.

Both PGE and Energy Trust agree that the increased collection level in Schedule 109, resulting in the collection of an estimated \$50 million annually, should be sufficient for both 2013 and 2014.

Table 1 shows the total projected EE funding going to the ETO through PGE for 2013, including both incremental funding and public purpose charge funding.

Table 1. Projected Energy Efficiency funding going to the ETO through PGE in 2013

	<b>PGE EE funding going to the ETO</b>
Public Purpose Charge Funding for EE	\$26,449,746
Transfer from PGE Balancing Account	\$850,000
Total Incremental EE Funding (Schedule 109)	\$50,000,000
<b>Total</b>	<b>\$77,299,746</b>

Table 2 shows the program level breakdown of energy efficiency projections in PGE territory in 2013.

Table 2. Energy Efficiency Targets by Program (aMW)

<b>Programs</b>	<b>2013 - aMW</b>
Residential	5.7
Commercial	13.1
Industrial	8.3
NEEA	2.1
<i>Totals</i>	<i>29.2</i>

PGE, like PacifiCorp, retains some energy efficiency funding to support their own efforts in directing customers to Energy Trust programs. PGE's qualifying expenses cannot exceed \$1 million in any one calendar year. However, PGE handles their retained funds under a separate tariff (Schedule 110). As part of this filing, PGE is also requesting Commission approval to transfer \$850,000 from a Schedule 110 balancing account to the Energy Trust. PGE has collected more money than it has spent on activities associated with directing customers to Energy Trust programs. PGE anticipates that, commencing in 2013, it will more heavily promote energy efficiency, hence, energy efficiency promotional expenditures and collections will be more closely aligned.

Staff supports PGE's request to increase energy efficiency funding for Energy Trust through Schedule 109 by \$8 million for a total of \$50 million in 2013. Staff also supports allowing PGE to transfer \$850,000 from a Schedule 110 balancing account to Energy Trust.

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**PROPOSED COMMISSION MOTION:**

PGE's revised Schedule 109 tariff, as described in Advice No. 12-22, go into effect January 1, 2013, and PGE transfer \$850,000 from Schedule 110 balancing account to Energy Trust.