



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

November 10, 2014

Public Utility Commission of Oregon
Attn: Filing Center
3930 Fairview Industrial Drive SE
P.O. Box 1088
Salem, OR 97308-1088

**RE: Advice No. 14-22 Schedule 106, Multnomah County Business Income
Tax Update**

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes (ORSs) 757.205, 757.210, and Oregon Administrative Rules (OARs) 860-022-0025 and 860-022-0030, for filing proposed tariff sheet associated with Tariff P.U.C. No. 18 with a requested effective date of **January 1, 2015**:

Ninth Revision of Sheet No. 106-1

The purpose of this filing is to adjust the Multnomah County Business Income Tax (MCBIT) rate to reflect projections of the 2015 MCBIT tax expense and the current state of the MCBIT balancing account. The current Schedule 106 rate has closely followed prior projections for MCBIT tax expense through December 2014. PGE anticipates a decrease in taxable income for 2015; hence the proposed Schedule 106 rate primarily recovers projected MCBIT tax expenses less any remaining collections from customers held in the MCBIT balancing account at the end of the year.

To satisfy the requirements of OAR 860-022-0025(2) and 860-022-0030(1), PGE provides the following responses:

The proposed Schedule 106 rate change will result in a 0.116% overall rate reduction for approximately 283,000 Multnomah County customers. A typical Schedule 7 Residential customer consuming 840 kWh monthly will see a bill decrease of approximately \$0.11.

Work papers detailing the Schedule 106 rate development, and the balancing account detail are enclosed.

Please direct any questions regarding this filing to Marc Cody at (503) 464-7434 or Colin Wright at (503) 464-8011.

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Tinker". The signature is written in a cursive, flowing style.

Jay Tinker
Director, Regulatory Policy & Affairs

Enclosure(s)

**SCHEDULE 106
MULTNOMAH COUNTY BUSINESS INCOME TAX RECOVERY**

PURPOSE

To recover from Customers in Multnomah County the Multnomah County Business Income Tax (MCBIT) paid by the Company in accordance with Multnomah County Code § 12.610 and OAR 860-022-0045 and to establish an associated Automatic Adjustment Clause and balancing account.

APPLICABLE

All Customers receiving Electricity Service within Multnomah County.

BALANCING ACCOUNT

A MCBIT Balancing Account will be maintained to accrue any difference between the Company's actual local income tax liability and the amount collected from Customers under this Schedule. Any over or under-collection reflected in this account will be considered when the MCBIT Rate is established. This Balancing Account will accrue interest at the Commission-authorized rate for deferred accounts.

MCBIT RATE DETERMINATION

The MCBIT Rate is determined by dividing the sum of forecast MCBIT tax liability plus or minus any amount in the Balancing Account divided by forecast Retail Revenue from Customers in Multnomah County for each tax year or other applicable recovery period.

MCBIT RATE

The MCBIT Rate is:

0.073% of the total billed amount to the Customer excluding the Public Purpose Charge (Schedule 108), Energy Efficiency Funding Adjustment (Schedule 109), Low Income Assistance Charge (Schedule 115) and all other separately stated taxes.

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