



Portland General Electric
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November 9, 2021

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

RE: Advice No. 21-33, Schedule 103, Metro Supportive Housing Services Business Income Tax

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210, and Oregon Administrative Rule (OAR) 860-022-0025(2) for filing proposed tariff sheet associated with Tariff P.U.C. No. 18, with a requested effective date of **January 1, 2022**:

Second Revision of Sheet No. 103-1

The purpose of this filing is to adjust the Metro Supportive Housing Services Business Income Tax (MSHS) rate to reflect projections of the 2022 MSHS tax expense and the current state of the MSHS balancing account. 2021 was the first year that PGE was required to pay the MSHS income tax for “commercial activity” within Metro’s jurisdiction. PGE estimated the tax in 2021 to be \$1.5 million. The 2022 estimated tax is now estimated to be only about \$446K, significantly less.

The projected balance at the end of 2021 results is estimated to be a credit of about \$1.1 million due to less than taxable income in 2021 and over-estimating the tax during the first year of collection. PGE proposes to set the Schedule 103 collection rate to 0% in 2022 in order to reduce the balance. PGE will reassess the tax in its filing next year and reintroduce a percentage charge.

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

The proposed Schedule 103 rate change will result in a 0.153% overall rate decrease for approximately 740,000 Clackamas, Multnomah and Washington County Customers within Metro’s jurisdiction. A typical Schedule 7 Residential Customer consuming 780 kWh monthly will see a bill decrease of approximately \$0.15.

Work papers detailing the Schedule 103 rate development are enclosed.

Please direct any questions regarding this filing to Chris Pleasant at (503) 464-2555.

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

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing & Tariffs

Enclosure(s)

**SCHEDULE 103
METRO SUPPORTIVE HOUSING SERVICES BUSINESS INCOME TAX RECOVERY**

PURPOSE

To recover from Customers inside Metro's jurisdiction in Clackamas, Multnomah and Washington Counties the Metro Supportive Housing Services (MSHS) Business Income Tax paid by the Company in accordance with Measure 26-210 OAR 860-022-0045 and to establish an associated Automatic Adjustment Clause and balancing account.

APPLICABLE

All Customers receiving Electricity Service within Metro's jurisdiction in Clackamas, Multnomah and Washington Counties.

BALANCING ACCOUNT

The MSHS 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 Metro Supportive Housing Services Rate is established. This Balancing Account will accrue interest at the Commission-authorized rate for deferred accounts.

METRO SUPPORTIVE HOUSING SERVICES RATE DETERMINATION

The MSHS Rate is determined by dividing the sum of forecast MSHS tax liability plus or minus any amount in the Balancing Account divided by forecast Retail Revenue from Customers in Metro's jurisdiction in Clackamas, Multnomah or Washington Counties for each tax year or other applicable recovery period.

MSHS RATE

The MSHS Rate is:

0.00% 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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