



Portland General Electric
121 SW Salmon Street • Portland, OR 97204
portlandgeneral.com

November 16, 2021

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, SE, Suite 100
P.O. Box 1088
Salem, OR 97308-1088

RE: Advice No. 21-42, Schedule 131 Oregon Corporate Activity Tax Recovery

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

First Revision of Sheet No. 131-1

The purpose of this filing is to adjust the Oregon Corporate Activity Tax (OCAT) rate to reflect projections of the 2021 OCAT tax expense and the current state of the OCAT balancing account.

The projected balance at the end of 2021 is estimated to be a credit of about \$322,742 due to the OCAT tax rate remaining unchanged since February 2020. PGE plans to amortize the balance over the next year. PGE also anticipates a slight increase in taxable income for 2022. However, due to the credit balance in the OCAT balancing account at the end of 2021, the overall expected tax collection from customers results in a slight overall decrease for 2022.

The Schedule 131 prices are applied on a percentage basis of customers' bills with the exceptions outlined in the proposed tariff, similar to PGE Schedule 106 Multnomah County Business Income Tax for customers in Multnomah County.

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

The proposed Schedule 131 rate change will result in a 0.039% overall rate decrease for approximately 918,600 Customers. A typical Schedule 7 Residential Customer consuming 780 kWh monthly will see a bill decrease of approximately \$0.04.

Work papers detailing the Schedule 131 rate development, and the balancing account detail 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

Enclosures

**SCHEDULE 131
OREGON CORPORATE ACTIVITY TAX RECOVERY**

PURPOSE

To recover from Customers the Oregon Corporate Activity Tax (CAT) paid by the Company for “commercial activity” in accordance with House Bill 3427 and to establish an associated Automatic Adjustment Clause and balancing account.

APPLICABLE

To all bills for Electricity Service.

BALANCING ACCOUNT

A CAT Balancing Account will be maintained to accrue any difference between the Company’s actual commercial activity 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 CAT Rate is established. The Balancing Account will accrue interest at the Commission-authorized rate for deferred accounts.

CAT RECOVERY RATE DETERMINATION

The CAT Recovery Rate is determined by dividing the sum of forecast commercial activity tax liability plus or minus any amount in the Balancing Account divided by forecast Retail Revenue from Customers for each tax year or other applicable recovery period. Forecast Retail Revenue excludes Schedule 102, Schedule 108, Schedule 109, and Schedule 115, and all other separately stated taxes.

CAT RECOVERY RATE

The CAT Recovery Rate is:

0.397% of the total billed amount to the Customer excluding the RPA Credit (Schedule 102), Public Purpose Charge (Schedule 108), Energy Efficiency Funding Adjustment (Schedule 109), Low Income Assistance Charge (Schedule 115) and all other separately stated taxes.

(R)

SPECIAL CONDITIONS

1. Actual commercial activity tax liability is subject to audit. Any adjustments to the commercial activity tax liability will be included in the balancing account.