



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

November 3, 2017

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

**RE: Advice No. 17-25, Schedule 106, Multnomah County Business Income  
Tax Update**

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes (ORSs) 757.205, 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, 2018**:

Twelfth 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 2018 MCBIT tax expense and the current state of the MCBIT balancing account. The current Schedule 106 rate has followed prior projections for MCBIT tax expense through December 2017.

PGE anticipates an increase in taxable income for 2017. However, PGE projects the balance in the balancing account to be about \$673,377 as of December 2017. PGE plans to amortize the balancing account amount in December 2017 over the next two years, thus an ending balance in December 2018 of about \$350,000. The December 2017 balance is caused by lower than expected payments in 2017. 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), PGE provides the following responses:

The proposed Schedule 106 rate change will result in a 0.071% overall rate decrease for approximately 292,000 Multnomah County Customers. A typical Schedule 7 Residential Customer consuming 820 kWh monthly will see a bill decrease of approximately \$0.06.

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

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

Please direct all formal correspondence and requests to the following email address [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)

Sincerely,



Karla Wenzel  
Manager, Pricing & Tariffs

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:

0.027% 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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