



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

December 15, 2017

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

**RE: Third Supplemental Filing of Advice No. 17-05, Schedule 134, Gresham  
Privilege Tax Payment Adjustment**

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210 and 757.259 (1), and Oregon Administrative Rules 860-022-0025, 860-022-0030 and 860-022-0040, for filing proposed tariff sheets associated with Tariff P.U.C. No. 18 with an effective date of February 1, 2018:

Eighteenth Revision of Sheet No. 1-2  
Thirtieth Revision of Sheet No. 100-1  
Original Sheet No. 134-1

PGE initially filed Advice No. 17-05 on February 24, 2017, with a requested effective date of May 1, 2017. PGE then submitted on April 12, 2017 a Supplemental Filing requesting a new effective date of July 1, 2017. The extension intended to provide additional time for PGE, Staff, and the City of Gresham to resolve outstanding issues. After a discussion with Staff, PGE agreed with Staff that the filing should remain on the April 18, 2017 public meeting agenda with the original requested effective date. Hence, PGE made a Second Supplemental Filing requesting that the filing remain on the April 18, 2017 public meeting agenda.

At the April 18 public meeting, the Commission suspended PGE Advice No. 17-05 for six months from the proposed effective date of May 1, 2017, and in Order No. 17-153 adopted a briefing schedule. Subsequent to the completion of the briefs, in Order No. 17-385, the Commission adopted an additional suspension period of not more than three months. On November 28, 2017, in Order No. 17-482, the Commission concluded the following with respect to this filing:

We conclude that PGE may recover the tax payment under ORS 757.259(l)(a)(A). We also decline to apply an earnings test in these circumstances.

We further find that the rate treatment of PGE's tax payment is governed by OAR 860-022-0040(1) and (6), which require that the tax payment "be charged pro rata to energy customers within said city and shall be separately stated on the regular billings to such customers."

Finally, having decided there are no legal issues precluding PGE's recovery of the disputed amounts, we direct the Administrative Hearings Division to convene a conference with the parties to determine what, if any, additional proceedings are necessary to resolve any potential factual issues related to PGE's Advice No. 17-05. We expect any future proceedings to be expedited and limited solely to the factual issue raised by Gresham.

At the Prehearing Conference on December 14, 2017 the Administrative Law Judge instructed PGE to refile Advice No 17-05 no later than December 15, 2017 with an effective date of February 1, 2018.

The Schedule 134 sheet remains as previously filed with the minor exception of removing the word "if" in the Purpose section. This deletion reflects that the Circuit Court has ruled on the interest issue and PGE has paid Gresham the court-ordered interest amount of \$229,856 in June 2017. Gresham acknowledged full satisfaction of the judgment on June 28, 2017. In addition to removing the word "if", the Schedule 134 issue and effective dates are changed.

PGE is proposing to maintain the same 2% collection rate as initially proposed in order to amortize the approximate accrual amount of \$7.2 million. The estimated collection period is extended from 59 months as initially proposed to 61 months. This slightly extended collection period reflects the fact that PGE is including the court-ordered interest payments made to Gresham and the accumulated interest related to a later commencement of collections from Gresham customers due to the additional process required in this docket.

To satisfy the requirements of OAR 860-022-0025(2) and OAR 860-022-0030(1), PGE responds as follows:

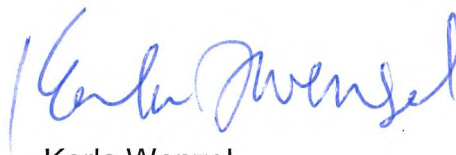
PGE estimates that approximately 45,000 City of Gresham customers will be impacted by this overall annual increase of approximately \$1.5 million or 2.0% increase in revenues originating in Gresham from the proposed Schedule 134. A typical Schedule 7 customer consuming 820 kWh monthly will see a bill increase of \$1.80 or 1.8% inclusive of rate schedules to which Schedule 134 does not apply.

Work papers detailing the amortization of the \$7.2 million and the development of the 2.0% rate are attached.

Should you have any questions or comments regarding this filing, please contact Marc Cody at (503) 464-7434.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Karla Wenzel". The signature is fluid and cursive, with a large initial "K" and "W".

Karla Wenzel  
Manager, Pricing and Tariffs

**PORTLAND GENERAL ELECTRIC COMPANY  
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**SCHEDULE 100  
SUMMARY OF APPLICABLE ADJUSTMENTS**

The following summarizes the applicability of the Company's adjustment schedules.

Schs.	102 (1)	105	106 (1)	108 (3)	109 (1)	110 (1)	115	122	123 (1)	125 (1)	126	128 (4)	129 (1)	134	135	137	142	143	145	146	149	
7	x	x	x	x	x	x	x	x	x	x	x			x	x	x	x	x	x	x	x	x
15	x	x	x	x	x	x	x	x	x	x	x			x	x	x	x	x	x	x	x	x
32	x	x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
38	x	x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
47	x	x	x	x	x	x	x	x	x	x	x			x	x	x	x	x	x	x	x	x
49	x	x	x	x	x	x	x	x	x	x	x			x	x	x	x	x	x	x	x	x
75	x <sup>(2)</sup>	x <sup>(2)</sup>	x	x	x <sup>(2)</sup>	x <sup>(2)</sup>	x	x <sup>(2)</sup>	x	x <sup>(2)</sup>	x <sup>(2)</sup>	x		x	x	x	x	x	x	x	x	x
76R	x		x	x			x							x			x					x
83	x	x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
85	x	x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
89	x	x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
90	x	x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
91		x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
92		x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
95		x	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x	x
485	x	x	x	x	x	x	x		x		x <sup>(5)</sup>		x	x			x	x				x
489	x	x	x	x	x	x	x		x		x <sup>(5)</sup>		x	x			x	x				x
490	x	x	x	x	x	x	x		x		x		x	x			x	x				x
491		x	x	x	x	x	x		x		x		x	x			x	x				x
492		x	x	x	x	x	x		x		x		x	x			x	x				x
495		x	x	x	x	x	x		x		x		x	x			x	x				x
515	x	x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
532	x	x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
538	x	x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
549	x	x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
575	x <sup>(2)</sup>	x <sup>(2)</sup>	x	x	x	x	x		x		x <sup>(2)</sup>	x		x		x	x	x	x	x	x	x
576R	x		x	x			x							x			x					x
583	x	x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
585	x	x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
589	x	x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
590	x	x	x	x	x	x	x		x		x	x		x		x	x	x	x	x	x	x
591		x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
592		x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x
595		x	x	x	x	x	x		x		x <sup>(5)</sup>	x		x		x	x	x	x	x	x	x

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- (1) Where applicable.
- (2) These adjustments are applicable only to the Baseline and Scheduled Maintenance Energy.
- (3) Schedule 108 applies to the sum of all charges less taxes, Schedule 109 and 115 charges and one-time charges such as deposits.
- (4) Applicable to Nonresidential Customer who receive service at Daily pricing (other than Cost of Service) or Direct Access (excluding service on Schedules 485, 489, 490, 491, 492 and 495).
- (5) Not applicable to Customers where service was received for the entire calendar year that the Annual Power Cost Variance accrued.

**SCHEDULE 134  
GRESHAM RETROACTIVE PRIVILEGE TAX PAYMENT ADJUSTMENT**

**PURPOSE**

To recover from Customers in the City of Gresham the privilege taxes and court-ordered, associated interest amounts assessed retroactively by the City of Gresham following an Oregon Supreme Court decision in 2016.

**APPLICABLE**

All Customers receiving Electricity Service within the City of Gresham.

**BALANCING ACCOUNT**

The Company will establish a Balancing Account to record the difference between amounts collected under this schedule, net of uncollectible accounts and amounts authorized to be recovered. This Balancing Account will accrue interest at the Commission-authorized rate for deferred accounts. The disposition of any over- or under-recovery amount will be subject to Commission approval.

**GRESHAM PRIVILEGE TAX SETTLEMENT RECOVERY RATE**

The Rate is:

2.0% 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. Certain Large Nonresidential Customers with existing limitations on privilege tax obligations will be billed in accordance with these existing limitations.

PGE Third Supplemental Filing of Advice No. 17-05  
Schedule 134 Work Papers

The Work Papers to this filing were purposely omitted.

If you would like to receive a copy, please contact Mary Widman, at (503) 464-8223 and request for PGE Advice No. 17-05.