

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 17, 2019**

**REGULAR** \_\_\_\_\_ **CONSENT**  X  **EFFECTIVE DATE**  January 1, 2020

**DATE:** December 9, 2019

**TO:** Public Utility Commission

**FROM:** Mitchell Moore

**THROUGH:** Michael Dougherty, John Crider and Matt Muldoon **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(ADV 1042/Advice No. 19-24)  
Updates Schedule 106, Multnomah County Business Income Tax.

**STAFF RECOMMENDATION:**

Staff recommends that the Commission approve Portland General Electric's filing and allow the associated tariff to go into effect on January 1, 2020.

**DISCUSSION:**

Issue

Whether Portland General Electric (PGE or Company) be allowed to adjust the rate collected through its Schedule 106, Multnomah County Business Income Tax Recovery. This tax is commonly referred to as the MCBIT.

Applicable Rule or Law

PGE makes this filing pursuant to ORS 757.205, ORS 757.210, OAR 860-022-0025, and OAR 860-022-0030.

Further, the adjustment schedule represented in this filing applies to all customers receiving service within the boundaries of Multnomah County in accordance with OAR 860-022-0045, which says in part:

"If any county in Oregon imposes or increases taxes or licensing, franchise, or operating permit fees, the utility required to pay such taxes or fees shall collect the amount from its customers within the county imposing such taxes or fees."

### Analysis

The Company maintains a balancing account to accrue any difference between the Company's actual MCBIT expenses and what is collected from customers. The rate adjustment in this filing reflects the Company's projections of the 2020 MCBIT tax expense and the current state of the MCBIT balancing account.

The Company determines the MCBIT Rate by forecasting its expected MCBIT tax liability for the next calendar year and adding this forecasted amount to the expected over- or under-collection of the prior year MCBIT taxes. This total amount is then divided by the forecasted revenues for Multnomah County to determine the final MCBIT Rate.

The current rate of 0.214 percent was authorized by the Commission at its January 29, 2019, Public Meeting (Advice No. 18-20). The proposed rate of 0.162 percent in this filing has been calculated to recover the projected tax expenses from January 1 through December 31, 2020.

PGE estimates that this rate change will result in a 0.052 percent decrease to the approximately 294,000 Multnomah County customers subject to the MCBIT. A residential customer consuming 840 kWh monthly will see a bill decrease of approximately \$0.05.

### Conclusion

After a review of PGE's filing and accompanying work papers, Staff finds that PGE's proposed rate is reasonable. As this filing meets the requirements of ORS 757.205, ORS 757.210, OAR 860-022-0025, and OAR 860-022-0030, Staff recommends the Commission approve PGE's filing.

### **PROPOSED COMMISSION MOTION:**

Approve PGE's filing to adjust the rate of Schedule 106, Multnomah County Business Income Tax Recovery, and the associated tariff be allowed to take effect for service on and after January 1, 2020.