



Portland General Electric Company
121 SW Salmon Street • 1WTC0306 • Portland, OR 97204
portlandgeneral.com

February 7, 2022

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

RE: UE 394 – In the Matter of Portland General Electric Company, Request for a General Rate Revision

Dear Filing Center:

Enclosed for filing today in the above-referenced docket is a fourth partial stipulation agreed to by all intervening parties to this docket. In accordance with OAR 860-001-0350(7)(a), the parties are concurrently filing explanatory briefing in support of the fourth partial stipulation within their separately filed prehearing briefs.

If you have any questions, please feel free to contact me at (503) 464-7488. Please direct all formal correspondence and requests to the following e-mail address:
pge.opuc.filings@pgn.com.

Sincerely,

/s/ Jaki Ferchland

Jaki Ferchland
Manager, Revenue Requirement

CC: UE 394 service list

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 394

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Request for 2022 General Rate Revision

PARTIAL STIPULATION

This Fourth Partial Stipulation (“Stipulation”) is between Portland General Electric Company ("PGE"), Staff of the Public Utility Commission of Oregon ("Staff"), the Oregon Citizens' Utility Board ("CUB"), the Alliance of Western Energy Consumers ("AWEC"), Fred Meyer Stores and Quality Food Centers, Division of The Kroger Co. (“Kroger”), and Walmart, Inc. (“Walmart”), Calpine Solutions, and Small Business Utility Advocates (“SBUA”), (collectively, the "Stipulating Parties"). The Stipulating Parties are all of the parties in this proceeding.

PGE previously filed a First Partial Stipulation in this docket resolving all issues related to Cost of Capital in this general rate case. PGE then filed a Second Partial Stipulation on November 5, 2021, and a Third Partial Stipulation on January 18, 2022, after reaching agreements with the parties on certain matters through the course of multiple settlement conferences. SBUA was not a party to the First or Second Partial Stipulations. Calpine Solutions did not take a position on the issues resolved in the first three stipulations but did not oppose them. The parties engaged in a fourth round of settlement discussions on February 1, 2022. The Stipulating Parties all participated

in these settlement discussions. As a result of the discussions, the Stipulating Parties have reached a compromise settlement resolving several additional issues in this docket, as set forth below.

TERMS OF FOURTH PARTIAL STIPULATION

1. This Stipulation resolves only the general rate case issues described below.
2. Fee Free Bank Card
 - a. Stipulating Parties agree that PGE's non-residential customers may only pay up to \$1,500 per billing cycle using a credit card or other type of card.
 - b. Stipulating Parties agree that PGE may continue to offer the Fee Free Bank Card program after the COVID-19 state of emergency ends.
 - c. This Stipulation resolves all issues raised by any party related to the Fee Free Bank Card program in this proceeding.
3. Trojan Nuclear Decommissioning Trust (NDT)
 - a. Stipulating Parties agree that PGE will return the 2018 claim year DOE reimbursement of \$2,960,544 received in December 2019 to customers via Schedule 143 over a one-year period beginning May 9, 2022. Stipulating Parties agree that PGE will fund this return using the 2020 claim year DOE reimbursement received in December 2021. PGE will contribute the remainder of the 2020 claim year DOE reimbursement to the Trojan NDT.
 - b. Stipulating Parties agree that PGE will also refund the \$352,098 residual balance of the Schedule 143 balancing account to customers via Schedule 143 over a one-year period beginning May 9, 2022.

- c. This Stipulation resolves all issues raised by any party related to the Trojan NDT in this proceeding.
4. Rate Spread and Customer Impact Offset
 - a. Stipulating Parties agree to settle all rate spread issues based on the following:
 - i. Using the marginal cost studies filed in this case with updates to loads, forecasted natural gas prices, and cost of capital in the generation marginal cost study.
 - ii. Applying a customer impact offset to move \$2.842 million from Schedule 83, \$3.654 million from Schedules 85/485, \$2.061 million from Schedules 89/489, and \$1.2 million from Schedule 90 and apply \$6.585 million to Schedule 7 and \$3.177 million to Schedule 32.
 - iii. CUB is a signatory to every part of this stipulation besides rate spread. CUB does not oppose the rate spread that has been agreed to in this stipulation but does not support it. CUB will provide rationale detailing its non-opposition in its prehearing brief.
 - iv. Tables reflecting the agreed to rate spread is provided as an exhibit.
5. Schedule 7 Residential Basic Charge
 - a. Stipulating Parties agree to bifurcate the Schedule 7 Basic Charge into Single- and Multi-Family with the Single Family Basic Charge at \$11 and the Multi-Family Basic Charge at \$8.
6. Schedule 7 Residential Line Extension Allowance
 - a. Stipulating Parties agree that the Schedule 7 Line Extension Allowance will not change in this case.

7. Temporary Service
 - a. Stipulating Parties agree to the changes to temporary service proposed by PGE¹.

8. Generation Demand Charges for Schedules 83 and 85
 - a. Stipulating Parties agree to create generation demand charges for Schedule 83 and 85, assigning 25% of generation to the new demand charge for each schedule. Starting with direct access opt outs beginning in 2023, transition adjustments for Schedules 483 and 485 will be calculated as the difference between generation cost-of-service *volumetric* charges and market value (as is done now in the absence of a generation demand charge) while the generation demand charge will be applied directly to Schedule 483 and 485 customers during the transition adjustment period. For long-term opt outs, updates to fixed generation costs that are charged volumetrically, such as Schedule 122 RAC updates, will apply to the transition adjustment. Changes to fixed generation costs charged via the generation demand charge will apply directly to the demand charge. Future increases in the generation demand charge that are simply the result of rate redesign (i.e., moving recovery of fixed generation costs from the volumetric charge to the demand charge) will be accompanied by a recalculation of the transition adjustment using the reduced volumetric charge. PGE will address the timeline for ramping in generation demand charges in its next general rate case filing.

9. Habitat Restoration, A-26
 - a. Stipulating Parties agree that CUB may propose changes to Habitat Restoration options in Docket UM 1020 and that the issue will not be addressed in this case.

¹ UE 394 / PGE / 1200, Macfarlane – Tang / 47 - 48

While CUB and PGE may or may not agree on the proposal, PGE will support consideration of CUB's proposal in Docket UM 1020. CUB and PGE agree to work together in good faith on this matter.

10. Nonbypassability

- a. Stipulating Parties agree to make Schedule 137 nonbypassable as proposed by PGE.
- b. Stipulating Parties agree that PGE will remove its Schedule 135 demand response nonbypassability proposal from this case. PGE may continue to pursue the nonbypassability of Schedule 135 in another proceeding.

11. Schedule 138 Energy Storage Cost Recovery

- a. Stipulating Parties agree that PGE will include the following language suggested by CUB in Schedule 138: "expenses associated with HB 2193 energy storage pilots." Stipulating Parties also agree that this agreement does not preclude PGE from proposing changes to energy storage related cost recovery under schedules other than Schedule 138 in the future.

12. Remaining Issues

The Stipulating Parties agree that the following items are not resolved by this stipulation and will continue to be litigated in this proceeding:

- a. Level III Outage Mechanism
- b. Faraday Repowering Cost Recovery Treatment
- c. Wildfire Mitigation and Vegetation Management Mechanism
- d. Major Deferrals
- e. Non-bypassability of Schedule 150
- f. Schedule 90 sub-transmission rate

13. Stipulating Parties recommend and request that the Commission approve the adjustments and provisions described herein as appropriate and reasonable resolutions of all issues addressed in this Stipulation.
14. Stipulating Parties agree that this Stipulation is in the public interest, and will result in rates that are fair, just, and reasonable, consistent with the standard in ORS 756.040.
15. Stipulating Parties agree that this Stipulation represents a compromise in the positions of the Stipulating Parties. Without the written consent of all the Stipulating Parties, evidence of conduct or statements, including but not limited to term sheets or other documents created solely for use in settlement conferences in this docket, are confidential and not admissible in this instance or any subsequent proceeding, unless independently discoverable or offered for other purposes allowed under ORS 40.190.
16. Stipulating Parties have negotiated this Stipulation as an integrated document. The Stipulating Parties seek to obtain Commission approval of this Stipulation after initial briefs were filed but prior to evidentiary hearings. If the Commission rejects all or any material part of this Stipulation, or adds any material condition to any final order that is not consistent with this Stipulation, each Stipulating Party reserves its right: (i) pursuant to OAR 860-001-0350(9), to present evidence and argument on the record in support of the Stipulation, including the right to cross-examine witnesses, introduce evidence as deemed appropriate to respond fully to issues presented, and raise issues that are incorporated in the settlements embodied in this Stipulation; and (ii) pursuant to ORS 756.561 and OAR 860-001-0720, to seek rehearing or reconsideration, or pursuant to ORS 756.610 to appeal the Commission's final order. Stipulating Parties agree that in the event the Commission rejects all or any material part of this Stipulation or adds any material condition to any final

order that is not consistent with this Stipulation, Stipulating Parties will meet in good faith within ten days and discuss next steps. A Stipulating Party may withdraw from the Stipulation after this meeting by providing written notice to the Commission and other Stipulating Parties.

17. This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR 860-001-0350(7). Stipulating Parties agree to support this Stipulation throughout this proceeding and in any appeal and provide witnesses to support this Stipulation (if required by the Commission), and recommend that the Commission issue an order adopting the settlement contained herein. By entering into this Stipulation, no Stipulating Party shall be deemed to have approved, admitted or consented to the facts, principles, methods or theories employed by any other Stipulating Party in arriving at the terms of this Stipulation. Except as provided in this Stipulation, no Stipulating Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in any other proceeding.
18. This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this 7th day of February, 2022.

Louella McIntosh

PORTLAND GENERAL ELECTRIC
COMPANY

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN
ENERGY CONSUMERS

THE KROGER CO.

WALMART

SMALL BUSINESS UTILITY ADVOCATE

CALPINE SOLUTIONS

PORTLAND GENERAL ELECTRIC
COMPANY

/s/ *Jill Goatcher*

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

/s/ *Michael P. Goetz*

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN
ENERGY CONSUMERS

THE KROGER CO.

WALMART

s/ *Diane Henkels*

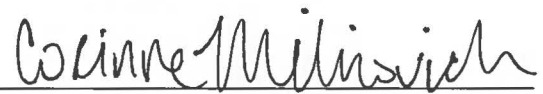
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A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned above a horizontal line.

CALPINE SOLUTIONS