



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

December 28, 2023

***Via Electronic Filing***

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

**Re: UM 2219 PGE's Application for Reauthorization to Defer Costs and Revenues  
Associated with the Energy Affordability Act**

Filing Center:

Enclosed for filing is Portland General Electric Company's (PGE) Application for Reauthorization of the Deferral of Costs and Revenues Associated with the Energy Affordability Act pursuant to Commission Order No. 22-101.

A Notice regarding the filing of this application has been provided to the parties on the UE 416 and UM 2219 service lists.

Thank you for your assistance in this matter. If you have any questions or require further information, please call me at (503) 464-7488. Please direct all formal correspondence, questions, or requests to the following e-mail address: [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com).

Sincerely,

*/s/ Jaki Ferchland*

Jaki Ferchland  
Senior Manager, Revenue Requirement

JF/dm  
Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 2219**

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY

Application for Reauthorization of Deferred  
Accounting of Costs and Revenues  
Associated with the Energy Affordability  
Act

**PORTLAND GENERAL ELECTRIC  
COMPANY’S APPLICATION FOR  
DEFERRAL REAUTHORIZATION**

Pursuant to ORS 757.259, OAR 860-027-0300, House Bill (HB) 2475, PGE tariff Schedule 118, and the Oregon Public Utility Commission (Commission or OPUC) Order No. 22-101, Portland General Electric Company (PGE) requests authorization to continue to defer for later ratemaking treatment costs and revenues associated with the Energy Affordability Act. Schedule 118 is an automatic adjustment clause as defined in ORS 757.210. PGE requests that the reauthorization be effective January 1, 2024, through December 31, 2024.

**I. Deferral History**

On December 30, 2021, PGE requested OPUC approval to defer incremental O&M costs and revenues associated with the Energy Affordability Act. On March 24, 2022, the Commission authorized PGE’s deferral request through Commission Order No. 22-101. On December 30, 2022 PGE filed an application to reauthorize the deferral from January 1, 2023 to December 31, 2023 and a Commission decision is pending as of time of filing this Application. The continuance of this deferral will minimize the frequency of rate changes or the fluctuation of rate levels, and match appropriately the costs borne, and benefits received by customers.

## II. OAR 860-027-0300(3) Requirements

The following is provided pursuant to OAR 860-027-0300(3):

### A. Background Description

On May 24, 2021, the Governor of Oregon signed into law HB 2475, the Energy Affordability Act. The bill amended ORS 757.230 to allow the additional classification of service for “differential energy burdens on low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers.”<sup>1</sup> As a result of this law, PGE became able to provide an income-qualified discount to eligible residential customers and did so through the Income Qualified Bill Discount (IQBD) program.

On June 13, 2023, as a part of PGE’s 2024 general rate case UE 416, OPUC Staff, the Citizens’ Utility Board of Oregon (CUB), and Community Action Partnership of Oregon (CAPO) all offered proposals for PGE’s IQBD program in their opening testimony, including new discount structures and a low income needs assessment (LINA). On October 6, 2023, PGE, Staff, and Parties entered into a partial stipulation whereby PGE agreed to file a tariff that would expand the existing IQBD program with more tiers so as to include larger discounts for participants at lower income levels, as shown in Table 1 below, and agreed that PGE would complete a low income needs assessment (LINA) no later than June 30, 2024. The partial stipulation was later adopted by the Commission through Order No. 23-386.<sup>2</sup>

---

<sup>1</sup> HB2475. <https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB2475/Enrolled>

<sup>2</sup> UE 416, Sixth Partial Stipulation. <apps.puc.state.or.us/orders/2023ords/23-386.pdf>

**Table 1**  
**Updated IQBD Tier Structure**

<b><u>Tier</u></b>	<b><u>Income Level</u></b>	<b><u>Discount</u></b>
<b>0</b>	<b>0-5% SMI</b>	<b>60%</b>
<b>1</b>	<b>6-15% SMI</b>	<b>40%</b>
<b>2</b>	<b>16-30% SMI</b>	<b>25%</b>
<b>3</b>	<b>31-45% SMI</b>	<b>20%</b>
<b>4</b>	<b>46-60% SMI</b>	<b>15%</b>

Amounts will be deferred pursuant to the terms of Schedule 118.

**B. Reasons for Deferral**

PGE seeks reauthorization to defer costs and revenues associated with the Energy Affordability Act, including the updated discount tier structure and the LINA, from January 1, 2024, through December 31, 2024 (Deferral Period 2024). Without reauthorization, this deferral will expire on December 31, 2023. The continuance of this deferral will minimize the frequency of rate changes or the fluctuation of rate levels, and match appropriately the costs borne, and benefits received by customers.

**C. Proposed Accounting for Recording Amounts Deferred**

PGE proposes to record the balancing account in FERC Account 182.3 (Other Regulatory Assets). Income-qualified payments (i.e., payments to support income-qualified energy discounts) will be debited to FERC Account 182.3 and credited to FERC Account 903 (Customer Records & Collection Expense). Energy Affordability Act amortization (i.e., revenues collected from PGE's customer) will be credited to FERC Account 182.3 and debited to FERC Account 903. Interest will accrue on the balance at the approved blended treasury rate.

D. Estimate of Amounts to be Recorded for the Next 12 months

PGE estimates the income-qualified energy discount amount to defer during 2024 to be approximately \$46 million<sup>3</sup> and an additional \$600,000 in incremental administrative costs.

E. Notice

A copy of the Notice of Application for Deferral of Costs and Revenues Associated with the Energy Affordability Act and a list of persons served with Notice are attached to this Application as Attachment A.

**III. The following is provided pursuant to OAR 860-027-0300(4):**

a. Description of deferred account entries

Please see section (II)(a) and II(c) above.

b. The reason for continuing deferred accounting.

PGE seeks approval to continue the Energy Affordability Act Deferral pursuant ORS 757.259, OAR 860-027-0300, House Bill (HB) 2475, PGE tariff Schedule 118, Commission Order No. 22-101 and as described in (II)(b) above.

**IV. PGE Contacts**

The authorized addresses to receive notices and communications in respect of this Application are:

Kim Burton  
Assistant General Counsel  
Portland General Electric  
121 SW Salmon Street  
Portland, OR 97204  
(573) 356-9688  
kim.burton@pgn.com

PGE-OPUC Filings  
Rates & Regulatory Affairs  
Portland General Electric  
121 SW Salmon Street  
Portland, OR 97204  
(503) 464-8172  
pge.opuc.filings@pgn.com

---

<sup>3</sup> This increase is due to the new, higher discount tiers being offered in 2024 as well as increased program enrollments.

In addition to the names and addresses above, the following are to receive notices and communications via the e-mail service list:

Tom Kenny, Associate Regulatory Analyst, Regulatory Affairs  
thomas.kenny@pgn.com

**V. Summary of Filing Conditions**

A. Earnings Review

Cost recovery associated with this deferral will not be subject to an earnings review since it would be subject to an automatic adjustment clause.

B. Prudence Review

A prudence review should be performed by the Commission Staff as part of PGE's amortization filing.

C. Sharing

No sharing mechanism applies to the Energy Affordability Act costs or revenues.

D. Rate Spread/Rate Design

Applicable costs will be allocated to PGE's Schedule 7 customers using a per-customer average price and to non-residential customers, each schedule on an equal cents-per-kWh basis with a cap for large customers.

E. Three percent test (ORS 757.259(6))

The amortization of the deferred costs will be subject to the three percent test in accordance with the ORS 757.259 (6), which limits aggregated deferral amortizations during a 12-month period to no more than three percent of the utility's gross revenues for the preceding year, unless authorized by the Commission under ORS 757.259(8).

#### **IV. Conclusion**

For the reasons stated above, PGE requests approval to defer the costs and revenues associated with the Energy Affordability Act effective January 1, 2024.

DATED this 28th day of December 2023.

*/s/ Jaki Ferchland*

Jaki Ferchland  
Senior Manager, Revenue Requirement  
Portland General Electric Company  
121 SW Salmon Street  
Portland OR 97204  
(503) 464-7488  
jacquelyn.ferchland@pgn.com

## **Attachment A**

### **Notice of Application for Deferral of Costs and Revenues Associated with the Energy Affordability Act**



**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 2219**

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY

Application for Reauthorization of Deferral  
of Costs and Revenues Associated with the  
Energy Affordability Act

**NOTICE OF PORTLAND GENERAL  
ELECTRIC COMPANY APPLICATION  
FOR DEFERRAL REAUTHORIZATION**

On December 28, 2023, Portland General Electric Company (PGE) filed an Application with the Public Utility Commission of Oregon (the Commission or OPUC) for an Order reauthorizing deferral of costs and revenues associated with the Energy Affordability Act.

Approval of PGE's Application as proposed will support the continued use of an automatic adjustment clause rate schedule and balancing account to reflect the incremental costs and revenues associated with the Energy Affordability Act.

Persons who wish to obtain a copy of PGE's application will be able to access it on the OPUC website.

Any person who wishes to submit written comments to the Commission on PGE's application must do so no later than January 24, 2024.

Dated this 28th day of December 2023.

*/s/ Jaki Ferchland*

Jaki Ferchland  
Senior Manager, Revenue Requirement  
Portland General Electric Company  
121 SW Salmon Street  
Portland OR 97204  
(503) 464-7488  
jacquelyn.ferchland@pgn.com

## CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the **Notice of Application for the Deferral of Costs and Revenues Associated with the Energy Affordability Act** to be served by electronic mail to those parties on the attached service list for OPUC Docket Nos. UE 416 and UM 2219.

Dated at Portland, Oregon, this 28th day of December 2023.

*/s/ Jaki Ferchland*

Jaki Ferchland  
Senior Manager, Revenue Requirement  
Portland General Electric Company  
121 SW Salmon Street  
Portland OR 97204  
(503) 464-7488  
jacquelyn.ferchland@pgn.com

**SERVICE LIST**  
**OPUC DOCKET No. UE 416**

GUILERMO  
CASTILLO (C) (HC)  
SMALL BUSINESS UTILITY ADVOCATES guillermo@utilityadvocates.org

STEVE CHRISS  
WALMART  
stephen.chriss@wal-mart.com

TERESA GRIFFELS  
PORTLAND GENERAL  
ELECTRIC teresa.griffels@pgn.com

TONIA L MORO (C)  
ATTORNEY AT LAW PC 106 TALENT AVE STE 6  
TALENT OR 97540  
tonia@toniamoro.com

**AWEC**

BRENT COLEMAN (C) (HC)  
DAVISON VAN CLEVE 1750 SW HARBOR WAY, SUITE  
450  
PORTLAND OR 97201  
blc@dvclaw.com

JESSE O GORSUCH (C) (HC)  
DAVISON VAN CLEVE 1750 SW HARBOR WAY STE 450  
PORTLAND OR 97201  
jog@dvclaw.com

TYLER C PEPPLER (C) (HC)  
DAVISON VAN CLEVE 107 SE WASHINGTON ST STE 430  
PORTLAND OR 97214  
tcp@dvclaw.com

**CALPINE SOLUTIONS**

GREGORY M. ADAMS (C)  
RICHARDSON ADAMS PLLC 515 N 27TH ST  
BOISE ID 83702  
greg@richardsonadams.com

GREG BASS  
CALPINE ENERGY  
SOLUTIONS, LLC 401 WEST A ST, STE 500  
SAN DIEGO CA 92101  
greg.bass@calpinesolutions.com

KEVIN HIGGINS (C)  
ENERGY STRATEGIES LLC 215 STATE ST - STE 200  
SALT LAKE CITY UT 84111-2322  
khiggins@energystrat.com

**COMMUNITY ENERGY  
PROJECT**

KATE AYRES  
COMMUNITY ENERGY  
PROJECT

106 TALENT AVE STE 6  
TALENT OR 97540  
kate@communityenergyproject.org

CHARITY FAIN (C)  
COMMUNITY ENERGY  
PROJECT

2900 SE STARK ST STE A  
PORTLAND OR 97214  
charity@communityenergyproject.org

**CUB**

MICHAEL GOETZ (C) (HC)  
OREGON CITIZENS'  
UTILITY BOARD

610 SW BROADWAY STE 400  
PORTLAND OR 97205  
mike@oregoncub.org

Share OREGON CITIZENS'  
UTILITY BOARD  
OREGON CITIZENS'  
UTILITY BOARD

610 SW BROADWAY, STE 400  
PORTLAND OR 97205  
dockets@oregoncub.org

**FRED MEYER**

JUSTIN BIEBER (C)  
FRED MEYER/ENERGY  
STRATEGIES LLC

215 SOUTH STATE STREET, STE  
200  
SALT LAKE CITY UT 84111  
jbieber@energystrat.com

KURT J BOEHM (C)  
BOEHM KURTZ & LOWRY

36 E SEVENTH ST - STE 1510  
CINCINNATI OH 45202  
kboehm@bkllawfirm.com

JODY KYLER COHN  
BOEHM KURTZ & LOWRY

36 E SEVENTH ST STE 1510  
CINCINNATI OH 45202  
jkylercohn@bkllawfirm.com

**NEWSUN ENERGY**

LESLIE SCHAUER (C)  
NEWSUN ENERGY LLC

550 NW FRANKLIN AVE STE 408  
BEND OR 97703  
leslie@newsunenergy.net

JACOB (JAKE)  
STEPHENS (C)  
NEWSUN ENERGY LLC

550 NW FRANKLIN AVE STE 408  
BEND OR 97703  
jstephens@newsunenergy.net

**NRDC**

CAROLINE CILEK (C) (HC)  
GREEN ENERGY INSTITUTE

carolinecilek@lclark.edu

**NW ENERGY COALITION**

F. DIEGO RIVAS (C) (HC)  
NW ENERGY COALITION

1101 8TH AVE  
HELENA MT 59601  
diego@nwenergy.org

**PARSONS BEHLE & LATIMER**

JUSTINA A CAVIGLIA  
PARSONS BEHLE &  
LATIMER

50 WEST LIBERTY ST STE 750  
RENO NV 89501  
jcaviglia@parsonsbehle.com

**PGE**

PORTLAND GENERAL  
ELECTRIC

pge.opuc.filings@pgn.com

KIM BURTON (C) (HC)  
PORTLAND GENERAL  
ELECTRIC

121 SW SALMON STREET  
PORTLAND OR 97204  
kim.burton@pgn.com

JAKI FERCHLAND (C) (HC)  
PORTLAND GENERAL  
ELECTRIC

121 SW SALMON ST. 1WTC0306  
PORTLAND OR 97204  
jacquelyn.ferchland@pgn.com

**SMALL BUSINESS UTILITY  
ADVOCATES**

DIANE HENKELS (C) (HC)  
SMALL BUSINESS UTILITY  
ADVOCATES

621 SW MORRISON ST. STE 1025  
PORTLAND OR 97205  
diane@utilityadvocates.org

SBUA SBUA  
SMALL BUSINESS UTILITY  
ADVOCATES

9450 SW GEMINI DR. #11200  
BEAVERTON OR 97008  
britt@utilityadvocates.org

**STAFF**

STEPHANIE S  
ANDRUS (C) (HC)  
Oregon Department of Justice

BUSINESS ACTIVITIES SECTION  
1162 COURT ST NE  
SALEM OR 97301-4096  
stephanie.andrus@doj.state.or.us

MATTHEW  
MULDOON (C) (HC)

PO BOX 1088  
SALEM OR 97308-1088  
matt.muldoon@puc.oregon.gov

PUBLIC UTILITY  
COMMISSION OF OREGON

NATASCHA  
SMITH (C) (HC)  
Oregon Department of Justice

BUSINESS ACTIVITIES SECTION  
1162 COURT ST NE  
SALEM OR 97301  
natascha.b.smith@doj.state.or.us

**WALMART**

ALEX KRONAUER (C)  
WALMART

alex.kronauer@walmart.com

**SERVICE LIST**  
**OPUC DOCKET No. UM 2219**

STEPHANIE S ANDRUS Oregon Department of Justice	BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM OR 97301-4096 stephanie.andrus@doj.state.or.us
KIM BURTON PORTLAND GENERAL ELECTRIC	121 SW SALMON STREET PORTLAND OR 97204 kim.burton@pgn.com
CURTIS DLOUHY PUBLIC UTILITY COMMISSION OF OREGON	PO BOX 1088 SALEM OR 97308-1088 curtis.dlouhy@puc.oregon.gov
JAKI FERCHLAND PORTLAND GENERAL ELECTRIC	121 SW SALMON ST. 1WTC0306 PORTLAND OR 97204 jacquelyn.ferchland@pgn.com
Share PGE RATES & REGULATORY AFFAIRS PORTLAND GENERAL ELECTRIC	PORTLAND GENERAL ELECTRIC COMPANY 121 SW SALMON STREET, 1WTC0306 PORTLAND OR 97204 pge.opuc.filings@pgn.com