

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 13, 2023**

REGULAR **CONSENT** **EFFECTIVE DATE** January 1, 2023

DATE: December 5, 2023

TO: Public Utility Commission

FROM: Rose Pileggi

THROUGH: Bryan Conway, Marc Hellman, and Matt Muldoon **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. 1454/Advice No. 22-37)
PGE Advice No. 22-37 updating Schedule 136 Oregon Community Solar
Program Cost Recovery Mechanism.

STAFF RECOMMENDATION:

Staff recommends the Public Utility Commission (Commission) approve the advice filing by Portland General Electric (PGE or Company) updating Schedule 136 Oregon Community Solar (Schedule 136 or CSP) Cost Recovery Mechanism.

DISCUSSION:

Issue

Whether the Commission should approve the advice filing submitted by Portland General Electric to update Schedule 136.

Applicable Rule or Law

ORS 757.205 requires that public utilities file all rates, rules, and charges with the Commission.

ORS 757.210 establishes a hearing process to address utility filings and requires rates be fair, just, and reasonable.

ORS 757.386(7)(a) specifies different treatment for the start-up and ongoing costs of the CSP.

- Start-up costs: Utilities may recover prudently incurred program start-up costs as well as costs of energy purchased from CSP projects from all ratepayers.
- Ongoing costs: Owners and subscribers (i.e., program participants) shall bear all ongoing costs incurred for the cost to construct and operate community solar projects.

ORS 757.386(7)(b) specifies costs incurred under a CSP Power Purchase Agreement are “recoverable in the rates of an electric company.”

OAR 860-088-0160(1) states that start-up costs must be reviewed and approved by Commission order and clarifies that start-up Program Administrator and Low Income Facilitator costs are recoverable in rates of all ratepayers. Further, the rules specify that utilities’ prudently-incurred start-up costs recoverable from ratepayers, but exclude any costs associated with the electric company developing a CSP project.

OAR 860-022-0025 requires that new tariff filings include statements showing the new rates, the number of customers affected, the impact on annual revenue, and the reasons supporting the proposed tariff.

OAR 860-022-0030 requires that tariff filings that name increased rates include additional requirements to OAR 860-022-0025 and necessitate statements for each separate schedule.

Analysis

Background

On May 28, 2020, the Commission entered Order No. 20-173. This order permanently suspended PGE’s Advice No. 20-09 filing to update Schedule 136, and directed that PGE confer with other parties and support their methodology.¹ On October 20, 2020, the Commission allowed Staff’s recommendation to provisionally approve PGE’s Advice No. 20-22 filing, updating Schedule 136, with a requirement to refile the tariff to reflect the decisions of UM 2024.² On August 26, 2022, the Commission entered Order No. 22-310. This order adopted Staff’s recommendations in the matter of Investigation of Joint Utility Method for Calculating the Incremental Cost of Subscribed Energy in the Community Solar Program, filed under Docket No. UM 2247.³ Staff’s recommendation under Docket No. UM 2247 included the approval of PGE’s proposed methodology.⁴

¹ OPUC Order No. 20-173; Pages 3-4; <https://apps.puc.state.or.us/orders/2020ords/20-173.pdf>.

² OPUC Docket No. ADV 1170; Page 6; <https://edocs.puc.state.or.us/efdocs/UBF/adv1170ubf13122.pdf>.

³ OPUC Order No. 22-310; Page 1; <https://apps.puc.state.or.us/orders/2022ords/22-310.pdf>.

⁴ Id; Appendix A; Pages 8 and 13-25; <https://apps.puc.state.or.us/orders/2022ords/22-310.pdf>.

On November 16, 2022, PGE filed Advice No. 22-37, updating the Schedule 136 Oregon CSP Cost Recovery Mechanism.⁵ This advice filing updates the tariff sheets and prices for Schedule 136.

Tariff Pricing Impacts

PGE estimated that 931,000 (2023 forecast) customers during 2023 will be impacted by this increase to revenues of \$2.2 million, an increase of 0.1 percent to overall revenues from the current Schedule 136 revenues. A typical Schedule 7 Residential customer, consuming an average of 780 kWh, will see a bill increase of \$0.12, or 0.1 percent.⁶

Staff Review

Staff has reviewed the workpapers provided by PGE and found them consistent and supportive to the proposed updating of Schedule 136.

Conclusion

Staff believes that, based on a review of the filing, past orders and dockets, applicable rules and laws, and the workpapers provided by PGE, that the changes are appropriate, and reflect the status of the tariff utilizing the methodology previously approved by the Commission.

PROPOSED COMMISSION MOTION:

Approve Portland General Electric's Schedule 136 update, for service rendered on and after January 1, 2023.

PGE ADV 1454 Schedule 136

⁵ Initial filing, Docket No. ADV 1454; <https://edocs.puc.state.or.us/efdocs/UAA/uaa95556.pdf>.

⁶ Id; Page 2.