



# Oregon

Kate Brown, Governor

## Public Utility Commission

201 High St SE Suite 100

Salem, OR 97301-3398

**Mailing Address:** PO Box 1088

Salem, OR 97308-1088

503-373-7394

December 13, 2022



BY EMAIL

Portland General Electric Company

pge.opuc.filings@pgn.com

RE: Advice No. 22-37

At the public meeting on December 13, 2022, the Commission adopted Staff's recommendation in this matter docketed as ADV 1454. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**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.<sup>1</sup> 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.<sup>2</sup> 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.<sup>3</sup> Staff’s recommendation under Docket No. UM 2247 included the approval of PGE’s proposed methodology.<sup>4</sup>

---

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

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

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

<sup>4</sup> 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.<sup>5</sup> 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.<sup>6</sup>

*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

---

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

<sup>6</sup> Id; Page 2.

**SCHEDULE 136  
OREGON COMMUNITY SOLAR PROGRAM  
COST RECOVERY MECHANISM**

**PURPOSE**

The purpose of this Schedule is to recover costs incurred during and for the development (or modification) of the Oregon Community Solar Program (Oregon CSP) including the costs associated with the State of Oregon's Program Administrator, Low Income Facilitator, the company's prudently incurred costs associated with implementing the Community Solar Program that are not otherwise included in rates, and payments to participants in the Oregon CSP. Company incurred costs to implement the state program do not include costs associated with the company developing a community solar project. This cost recovery mechanism is authorized by ORS 757.386 (7)(c) and OAR 860-088-0160. The Oregon CSP is an optional program that will provide PGE customers the opportunity to voluntarily subscribe to the generation output of eligible community solar projects. This adjustment schedule is implemented as an automatic adjustment clause as provided under ORS 757.210 to allow recovery of operations and maintenance start-up costs as soon as the cost data is approved by the Commission.

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

To all bills for Electricity Service except Schedules 76Rand 576R .

**ADJUSTMENT RATE**

The Adjustment Rate, applicable for service on and after the effective date of this schedule are:

<u>Schedule</u>	<u>Adjustment Rate</u>	
7	0.021	¢ per kWh
15/515	0.017	¢ per kWh
32/532	0.019	¢ per kWh
38/538	0.021	¢ per kWh
47	0.032	¢ per kWh
49/549	0.025	¢ per kWh
75/575		
Secondary	0.020	¢ per kWh
Primary	0.010	¢ per kWh
Subtransmission	0.010	¢ per kWh

(I) \_\_\_\_\_ (I)

**SCHEDULE 136 (Continued)**

ADJUSTMENT RATE (Continued)

83/583	0.015	¢ per kWh
85/485/585		
Secondary	0.013	¢ per kWh
Primary	0.011	¢ per kWh
89/489/589/689		
Secondary	0.020	¢ per kWh
Primary	0.010	¢ per kWh
Subtransmission	0.010	¢ per kWh
90/490/590		
Primary	0.010	¢ per kWh
Subtransmission	0.010	¢ per kWh
91/491/591	0.017	¢ per kWh
92/492/592	0.011	¢ per kWh
95/495/595	0.017	¢ per kWh

(I)  
—  
(I)  
(C)  
(I)  
(N)  
(I)  
—  
(I)

**BALANCING ACCOUNT**

The Company will maintain a balancing account to accrue differences between incremental costs associated with the Oregon CSP and the revenues collected under this schedule. This balancing account will accrue interest at the Commission-authorized rate for deferred accounts.

**DEFERRAL MECHANISM**

Each year the Company may file a deferral request to defer the incremental costs associated with the Oregon CSP.

**SPECIAL CONDITION**

1. Pursuant to OAR 860-088-0160 (1), Oregon CSP start-up costs are:
  - Costs associated with the Program Administrator and Low-Income Facilitator; and
  - Each utility’s prudently incurred start-up costs associated with implementing the Community Solar Program. These costs include, but are not limited to, costs associated with customer account information transfer and on-bill crediting and payment, but exclude any costs associated with the electric utility developing a project.

(M)

**SCHEDULE 136 (Concluded)**

SPECIAL CONDITION (Continued)

2. PGE will remit payments to the Program Administrator on a monthly basis for program costs including performing work as provided in OAR 860-088-0020 and OAR 860-088-0030 within 15 days receipt of the Commission's approval of eligible costs.
3. Costs recovered through this schedule will be allocated to each schedule using the applicable schedule's forecasted energy on the basis of an equal percent of revenue applied on a cents per kWh basis to each applicable rate schedule, with long-term opt out and new load direct access customers priced at the equivalent cost of service rate schedule.

(M)  
|  
(M)