



# 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 27, 2022



BY EMAIL

Portland General Electric Company

pge.opuc.filings@pgn.com

RE: Advice No. 22-42

At the public meeting on December 27, 2022, the Commission adopted Staff's recommendation in this matter docketed as ADV 1469. 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 27, 2022**

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

**DATE:** December 13, 2022

**TO:** Public Utility Commission

**FROM:** John Fox

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

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. ADV 1469/Advice No. 22-42)  
New Schedule 152 Major Event Cost Recovery.

**STAFF RECOMMENDATION:**

Staff recommends the Public Utility Commission of Oregon (Commission) approve Portland General Electric's (PGE or Company) proposed Schedule 152 tariff, as described in the Advice filing 22-42, effective with service rendered on and after January 1, 2023.

**DISCUSSION:**

Issue

Whether the Commission should approve Advice No. 22-42, which establishes a new Schedule 152 Major Cost Recovery.

Applicable Rule or Law

Under ORS 757.259(2), upon application of a utility and after public notice, opportunity for comment and a hearing if any party requests a hearing, the Commission by order may authorize deferral of certain amounts for later incorporation in rates. Those amounts include, under ORS 757.259(2)(e), identifiable utility expenses or revenues, the recovery or refund of which the commission finds should be deferred in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne by and benefits received by ratepayers.

OAR 860-022-0025(2) states that each energy utility filing tariffs or schedules changing existing tariffs or schedules shall submit the following information: (a) a statement plainly indicating the increase, decrease, or other change thereby made in existing rates, charges, tolls, or rules and regulations; (b) a statement setting forth the number of customers affected by the proposed change and the resulting change in annual revenue; and (c) a detailed statement setting forth the reasons or grounds relied upon in support of the proposed change.

### Analysis

#### *Background*

On July 27, 2022, PGE filed a request to amortize the costs deferred in response to the 2020 Labor Day Wildfire Emergency and the 2021 February Ice Storm Emergency.<sup>1</sup> The parties to this docket subsequently reached a compromise settlement resolving all current issues in the docket (“Stipulation”). This Stipulation was adopted by the Commission in Order No. 22-435 and will result in PGE’s recovery of approximately \$96.9 million over seven years, representing an overall price increase of 0.8 percent.

#### *Prudence and Earnings Reviews*

In Order No. 22-435 the Commission determined that these expenditures were prudent and necessary to serve customers and that amortization of the deferral will not cause PGE to over earn.<sup>2</sup>

#### *Current Filing*

The purpose of this filing is to request Commission approval of new PGE Schedule 152 to implement the Stipulation adopted by the Commission in Order No. 22-435 relating to costs incurred in 2021 for wildfire and ice storm emergency events. PGE will amortize the balance over seven years. Parties stipulated that PGE would update the interest rate on November 2, 2022, using the seven-year treasury rate plus 100 basis points. With that update, the applied interest rate is 5.2 percent.

Staff has reviewed the work papers accompanying the Company’s filing and finds that the calculations are consistent with Stipulation and Order No. 22-435 in Docket No. UE 408.

To satisfy the requirements of OAR 860-022-0025(2) and 860-22-0030, PGE provided the following information:

---

<sup>1</sup> See In the Matter of PORTLAND GENERAL ELECTRIC COMPANY, Application for Authority to Amortize Deferred Amounts Related to 2020 and 2021 Emergency Events, Docket No. UE 408.

<sup>2</sup> Order No. 22-435 at 2-3.

The amortization through Schedule 152 prices results in an approximate \$19.0 million or 0.9 percent overall average rate increase for the 931,000 (2023 forecasted average) applicable customers. A typical Schedule 7 Residential Customer consuming 780 kWh monthly will see a \$1.14 or 1.0 percent increase in their monthly bill as a result of this filing, inclusive of the Public Purpose Charge.

The Company has reviewed a draft of this memo and has not noted any concerns.

### Conclusion

For the reasons stated above, Staff finds that the amounts underlying the proposed tariff changes are fair, just, and reasonable. Staff recommends the Commission approve the tariff as filed.

### **PROPOSED COMMISSION MOTION:**

Approve PGE's proposed Schedule 152 tariff, as described in the Advice filing 22-42, effective with service rendered on and after January 1, 2023.

**PORTLAND GENERAL ELECTRIC COMPANY  
TABLE OF CONTENTS  
RATE SCHEDULES**

**Schedule    Description**

Adjustment Schedules (Continued)

- 136 Oregon Community Solar Program Cost Recovery Mechanism
- 137 Customer-Owned Solar Payment Option Cost Recovery Mechanism
- 138 Energy Storage Cost Recovery Mechanism
- 139 New Large Load Transition Cost Adjustment
- 142 Underground Conversion Cost Recovery Adjustment
- 143 Spent Fuel Adjustment
- 145 Boardman Power Plant Decommissioning Adjustment
- 146 Colstrip Power Plant Operating Life Adjustment
- 149 Environmental Remediation Cost Recovery Adjustment,  
Automatic Adjustment Clause
- 150 Transportation Electrification Cost Recovery Mechanism
- 152 Major Event Cost Recovery (N)
- 153 Community Benefits and Impacts Advisory Group Cost Recovery Mechanism (N)

**Small Power Production**

- 200 Dispatchable Standby Generation
- 203 Net Metering Service
- 204 Community Solar Program Interconnection and Power Purchase Schedule
- 215 Solar Payment Option Pilot Small Systems (10 kW or Less)
- 216 Solar Payment Option Pilot Medium Systems (Greater Than 10 kW to 100 kW)
- 217 Solar Payment Option Pilot Large Systems (Greater Than 100 kW to 500 kW)

**Schedules Summarizing Other Charges**

- 300 Charges as defined by the Rules and Regulations and Miscellaneous Charges
- 307 Residential Bill Assistance Program
- 328 Clean Fuels Credit Monetization Optional Service
- 339 On-Bill Loan Repayment Service – Clean Energy Works of Oregon Program
- 340 On-Bill Repayment Service Energy Efficiency and Sustainable Technologies (EEAST)
- 341 Energy Efficiency Upgrade Voluntary On-Bill Repayment Service

**Promotional Concessions**

- 402 Promotional Concessions Residential Products and Services

**SCHEDULE 100 (Concluded)**

SUMMARY OF APPLICABLE ADJUSTMENTS (Continued)

Schs.	131	134	135	136	137	138	139	142	143	145	146	149	150	152	153
7	x	x	x	x	x	x		x	x	x	x	x	x	x	x
15	x	x	x	x	x	x		x	x	x	x	x	x	x	x
32	x	x	x	x	x	x		x	x	x	x	x	x	x	x
38	x	x	x	x	x	x		x	x	x	x	x	x	x	x
47	x	x	x	x	x	x		x	x	x	x	x	x	x	x
49	x	x	x	x	x	x		x	x	x	x	x	x	x	x
75	x	x	x	x	x	x		x	x	x	x	x	x	x	x
76	x	x						x				x			
83	x	x	x	x	x	x		x	x	x	x	x	x	x	x
85	x	x	x	x	x	x		x	x	x	x	x	x	x	x
89	x	x	x	x	x	x		x	x	x	x	x	x	x	x
90	x	x	x	x	x	x		x	x	x	x	x	x	x	x
91	x	x	x	x	x	x		x	x	x	x	x	x	x	x
92	x	x	x	x	x	x		x	x	x	x	x	x	x	x
95	x	x	x	x	x	x		x	x	x	x	x	x	x	x
485	x	x			x	x		x	x			x	x	x	x
489	x	x			x	x		x	x			x	x	x	x
490	x	x			x	x		x	x			x	x	x	x
491	x	x			x	x		x	x			x	x	x	x
492	x	x			x	x		x	x			x	x	x	x
495	x	x			x	x		x	x			x	x	x	x
515	x	x	x	x	x	x		x	x	x	x	x	x	x	x
532	x	x	x	x	x	x		x	x	x	x	x	x	x	x
538	x	x	x	x	x	x		x	x	x	x	x	x	x	x
549	x	x	x	x	x	x		x	x	x	x	x	x	x	x
575	x	x	x	x	x	x		x	x	x	x	x	x	x	x
576	x	x						x				x			
583	x	x	x	x	x	x		x	x	x	x	x	x	x	x
585	x	x	x	x	x	x		x	x	x	x	x	x	x	x
589	x	x	x	x	x	x		x	x	x	x	x	x	x	x
590	x	x	x	x	x	x		x	x	x	x	x	x	x	x
591	x	x	x	x	x	x		x	x	x	x	x	x	x	x
592	x	x	x	x	x	x		x	x	x	x	x	x	x	x
595	x	x	x	x	x	x		x	x	x	x	x	x	x	x
689	x	x		x	x	x	x	x	x			x	x	x	x

(N)

(N)

- Where applicable.
- These adjustments are applicable only to the Baseline and Scheduled Maintenance Energy.
- Schedule 108 applies to the sum of all charges less taxes, Schedule 109 and 115 charges and one-time charges such as deposits.
- Applicable to Nonresidential Customer who receive service at Daily pricing (other than Cost of Service) or Direct Access (excluding service on Schedules 485, 489, 490, 491, 492 and 495).
- Not applicable to Customers where service was received for the entire calendar year that the Annual Power Cost Variance accrued.

**Advice No. 22-42**  
**Issued December 2, 2022**  
**Brett Sims, Vice President**

**Received**  
**Filing Center**  
**DEC 02 2022**

**Effective for service**  
**on and after January 1, 2023**

**SCHEDULE 152  
MAJOR EVENT COST RECOVERY**

**PURPOSE**

The purpose of this schedule is to recover costs incurred relating to the 2020 and 2021 wildfire and 2021 ice storm emergencies.

**AVAILABLE**

In all territory served by the Company.

**APPLICABLE**

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

**ADJUSTMENT RATES**

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

<u>Schedule</u>	<u>Adjustment Rate</u>
7	0.146 ¢ per kWh
15/515	0.123 ¢ per kWh
32/532	0.142 ¢ per kWh
38/538	0.174 ¢ per kWh
47	0.309 ¢ per kWh
49/549	0.206 ¢ per kWh
75/575	
Secondary	0.020 ¢ per kWh
Primary	0.020 ¢ per kWh
Subtransmission	0.020 ¢ per kWh
83	0.082 ¢ per kWh
85/485/585	
Secondary	0.051 ¢ per kWh
Primary	0.037 ¢ per kWh

**SCHEDULE 152 (Concluded)**

ADJUSTMENT RATES (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>
89/489/589/689	
Secondary	0.020 ¢ per kWh
Primary	0.020 ¢ per kWh
Subtransmission	0.020 ¢ per kWh
90/490/590	
Primary	0.018 ¢ per kWh
Subtransmission	0.018 ¢ per kWh
91/491/591	0.123 ¢ per kWh
92/492/592	0.038 ¢ per kWh
95/495/595	0.123 ¢ per kWh

**BALANCING ACCOUNT**

The Company will maintain balancing accounts to track the difference between deferred amounts and the actual Schedule 152 revenues.