



Portland General Electric Company

Legal Department
121 SW Salmon Street, 1WTC1301
Portland, Oregon 97204
Phone 503-464-7822
Fax 503-464-2200
portlandgeneral.com

Kim S. Burton

Assistant General Counsel III
kim.burton@pgn.com

November 1, 2023

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301

Re: UE 416 General Rate Case - Stipulating Parties' Joint Testimony and Exhibits

Dear Filing Center:

On behalf of Portland General Electric Company (PGE), Staff of the Public Utility Commission of Oregon, the Oregon Citizens' Utility Board, the Alliance of Western Energy Consumers, and Walmart, Inc. enclosed for filing in the above-captioned docket is Joint Testimony and Exhibits in Support of the Seventh Stipulation, Stipulating Parties/500-501.

Thank you for your assistance.

Sincerely,

A handwritten signature in blue ink that reads "KSB".

Kim S. Burton
Assistant General Counsel III

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**BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON**

**UE 416
General Rate Revision**

**PORTLAND GENERAL ELECTRIC
COMPANY**

Joint Testimony in Support of Partial Stipulation

Direct Testimony of:

Anna Kim, OPUC Staff

Bob Jenks, CUB

Bradley G. Mullins, AWEC

Steve Chriss, Walmart

Stefan Cristea, PGE

November 1, 2023

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I. Introduction

1 **Q. Please state your names and positions with your respective organizations.**

2 A. My name is Anna Kim. I am the Energy Costs Section Manager of the Rates, Safety, and
3 Utility Performance Division of the Public Utility Commission of Oregon (OPUC). My
4 qualifications appear in Exhibit Stipulating Parties/100.

5 My name is Bob Jenks. I am the Executive Director of the Oregon Citizens' Utility Board
6 (CUB). My qualifications appear in Exhibit CUB/201.

7 My name is Bradley G. Mullins. I am an independent consultant testifying on behalf of
8 the Alliance of Western Energy Consumers (AWEC). My qualifications appear in Exhibit
9 AWEC/101.

10 My name is Steve W. Chriss. I am Senior Director, Utility Partnerships for Walmart Inc.
11 (Walmart). My qualifications appear in Exhibit Walmart/101.

12 My name is Stefan Cristea. I am a Regulatory Consultant for Portland General Electric
13 Company (PGE). My qualifications appear at the end of Exhibit PGE/300.

14 **Q. What is the purpose of your testimony?**

15 A. The purpose of our testimony is to describe the Seventh Partial Stipulation (Stipulation)
16 between OPUC Staff (Staff), AWEC, CUB, Walmart, and PGE (Stipulating Parties) resolving
17 issues in this case related to the new capacity contracts included by PGE in its October 2, 2023
18 power cost update.¹

19 **Q. What is the basis for the Stipulations?**

¹ PGE's Annual Power Cost Update tariff, Schedule 125, details the provisions for annual rate revisions due to changes in PGE's projected Net Variable Power Costs, including timeframes for filing updated estimates, such as a November 15 filing of final estimates of NVPC.

1 A. PGE filed this general rate case (GRC) on February 15, 2023. Over the following eight
2 months, Staff, AWEC, CUB, Calpine Solutions, Kroger, New Sun Energy, and Natural
3 Resources Defense Council/ NW Energy Coalition submitted, and PGE responded to, over
4 1,400 data requests relating to PGE’s filed case. On April 13, 2023, Parties held a workshop
5 to discuss various topics and issues related to the filing. On May 24, 2023, Parties filed
6 opening testimony related to net variable power costs (NVPC), and on June 13, 2023, Parties
7 filed opening testimony related to all other topics in the case. From there, Parties to the case
8 met over 10 times to achieve six different settlements which cumulatively addressed all issues
9 in the case. As a part of the final settlement filed on October 6, 2023, Parties agreed to meet
10 to “discuss any questions, concerns, or issues regarding the [Highly Confidential] ██████████
11 ██████████ [Highly Confidential]”² which occurred on October 10, 2023. Following the
12 workshop, PGE and Stipulating Parties had additional conversations via email and phone calls
13 to continue discussing issues related to the [Highly Confidential] ██████████ [Highly
14 Confidential] resulting in this Stipulation. A copy of the Stipulation is provided as Stipulating
15 Parties Exhibits 501. While there are other parties to this case, those parties have not taken
16 any position on the issues resolved in this Stipulation.

II. Issue Resolved in the Seventh Stipulation

17 **Q. What does issue does this Stipulation resolve?**

18 A. This Stipulation represents a resolution to a concern raised by AWEC, and shared by CUB,
19 that the new contract will reduce PGE’s risk regarding Reliability Contingency Events (RCE),
20 and AWEC believes that this should further reduce the amount of RCE expense forecasted.

² Stipulating Parties/400, Muldoon – Jenks – Mullins – Bieber – Chriss – McCloy – Springer – Kermode – Ferchland/6 at 19-20.

1 While PGE disagrees with the assumed strength of the connection drawn between the RCE
2 expenses and the new contracts, PGE is willing to agree to the terms of the Stipulation for
3 settlement purposes only. AWEC also raised concerns about the cost of the new contract but,
4 given existing supply constraints, ultimately determined not to oppose these costs. AWEC
5 intends to file supplemental comments in this docket regarding the impact these supply
6 constraints are having on customers.

7 **Q. Have the Stipulating Parties already addressed the amount of RCE expense to be**
8 **included?**

9 A. Yes. In the Third Partial Stipulation³ to this case, Stipulating Parties agreed that PGE would
10 reduce the amount of RCE expense within its 2024 forecast by \$1.6 million.

11 **Q. What agreement have Parties now achieved regarding the RCE?**

12 A. For settlement purposes for the 2024 power cost forecast only, Stipulating Parties also agree
13 that PGE will not include RCE expense of more than \$2 million within its power cost forecast.
14 This reduces the RCE forecast from PGE's October MONET update by an additional \$2.8
15 million.

16 **Q. What is the recommendation to the Commission concerning the resolution of the issues**
17 **and adjustments described in your testimony?**

18 A. The Stipulating Parties agree that rates consistent with this Stipulation would be fair, just,
19 and reasonable and that this Stipulation furthers the public interest.

20 **Q. Do you have any other items to discuss?**

21 A. No.

22

³ Stipulating Parties Exhibit 102.

- 1 **Q. Does this conclude your testimony?**
- 2 A. Yes.

List of Exhibits

Stipulating Parties Exhibit

Description

501

Seventh Partial Stipulation

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 416

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Request for 2024 General Rate Revision; and
2024 Annual Power Cost Update.

**SEVENTH PARTIAL
STIPULATION**

This Seventh Partial Stipulation (“Stipulation”) is between Portland General Electric Company (PGE), Staff of the Public Utility Commission of Oregon, the Oregon Citizens' Utility Board (CUB), the Alliance of Western Energy Consumers (AWEC), and Walmart, Inc. (jointly, the "Stipulating Parties").

PGE filed this general rate case on February 15, 2023. The filing included fourteen separate pieces of testimony and exhibits. PGE also provided to Staff and other parties voluminous work papers in support of its filing. Since that time, parties have submitted approximately 1,300 data requests obtaining additional information. PGE previously achieved settlements in this docket addressing all outstanding issues in the GRC and the 2024 Power Cost Update. Stipulations related to the 2024 Annual Power Cost Update were previously filed with the Commission on August 21, 2023 (First and Third Partial Stipulations) and on October 6 (Fourth and Sixth Partial Stipulations). The Stipulating Parties participated in discussions, and no other parties participated in the discussion. As a result of the discussions, the Stipulating Parties have reached a compromise settlement resolving additional issues related the annual power cost update, as set forth below.

TERMS OF SEVENTH PARTIAL STIPULATION

1. This Stipulation resolves all remaining issues or areas of concerns related to the annual power cost update including capacity contracts.
2. For settlement purposes in this docket, Stipulating Parties agree that inclusive of the \$1.6 million reduction in Reliability Contingency Events (RCE) cost described in the Third Partial Stipulation, PGE's 2024 NVPC forecast will include an RCE forecast of no more than \$2 million.
3. Stipulating Parties agree that this agreement is only applicable to the 2024 NVPC and will not be considered precedential.
4. 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.
5. 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.
6. Stipulating Parties have negotiated this Stipulation as an integrated document. The Stipulating Parties seek to obtain Commission approval of this Stipulation after all prior issues in this docket have been resolved and submitted for Commission consideration. 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.

7. 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.
8. 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 27th day of October, 2023.

/s/ Brett Sims
PORTLAND GENERAL ELECTRIC
COMPANY

/s/ Stephanie Andrus
STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

/s/ Michael P. Goetz
OREGON CITIZENS' UTILITY
BOARD

/s/ Tyler C. Pepple
ALLIANCE OF WESTERN
ENERGY CONSUMERS

/s/ Justina Caviglia
WALMART INC.