



# Oregon

Tina Kotek, Governor

**Public Utility Commission**

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December 12, 2023



BY EMAIL

Portland General Electric Company

pge.opuc.filings@pgn.com

RE: Advice No. 23-24

At the public meeting on December 12, 2023, the Commission adopted Staff's recommendation in this matter docketed as ADV 1553. The Redacted 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  
REDACTED STAFF REPORT  
PUBLIC MEETING DATE: December 12, 2023**

REGULAR	CONSENT	X	EFFECTIVE DATE	January 1, 2024
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**DATE:** November 15, 2023

**TO:** Public Utility Commission

**FROM:** Itayi Chipanera

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

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. ADV 1553/Advice No. 23-24)  
Updates Schedule 103, Metro Supportive Housing Services Business  
Income Tax.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve Portland General Electric's (PGE or Company) Advice No. 23-24 updating Schedule 103, which recovers the Metro Supportive Housing Services Business Income Tax.

**DISCUSSION:**

Issue

Whether the Commission should approve PGE's proposal to update Schedule 103 and increase the rate used to recover the Metro Supportive Housing Services Business Income Tax.

Applicable Rule or Law

Under ORS 757.205(1), a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time. The Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. ORS 757.210. Tariff revisions or corrections may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0005 and OAR 860-022-0025. Filings that make any change in

rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the changes. ORS 757.220.

OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules must include in its filing a statement plainly indicating the increase, decrease, or other change made with the filing, the number of customers affected by the proposed change and the resulting change in annual revenue; and the reasons or grounds relied upon in support of the proposed change. OAR 860-022-0030 contains similar requirements for the filing of schedules naming increased rates.

Unless subject to an automatic adjustment clause under ORS 757.210(1), amounts deferred are allowed in rates to the extent authorized by the Commission in a proceeding under ORS 757.210 to change rates and upon review of the utility's earnings at the time of application to amortize the deferral. ORS 757.259(4); OAR 860-027-0300(9).

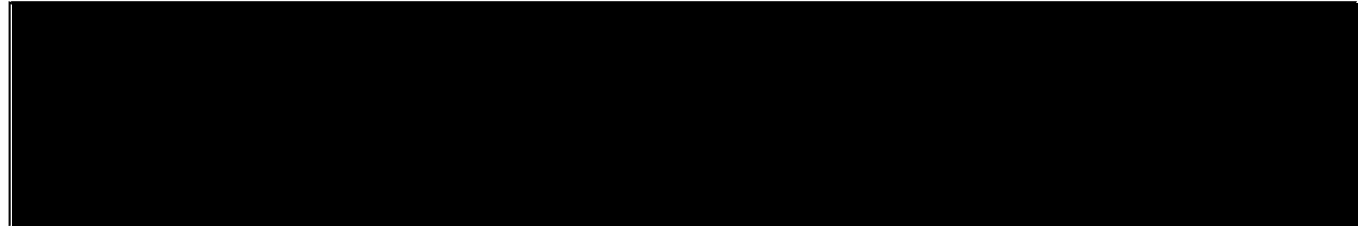
OAR 860-022-0045(1) states in relevant part, “[i]f any county in Oregon, other than a city-county, imposes upon an energy or large telecommunications utility any new taxes or license, franchise, or operating permit fees, or increases any such taxes or fees, the utility required to pay such taxes or fees shall collect from its customers within the county imposing such taxes or fees the amount of the taxes or fees, or the amount of increase in such taxes or fees.”

### Analysis

PGE maintains a balancing account which is used to accrue the difference between the company's actual Metro Supportive Housing Services Business Income Tax expenses and the amount collected from customers to cover those expenses. The Metro Supportive Housing Services Business Income Tax is collected through the Company's Schedule 103. The current approved Schedule 103 collection rate is 0.024 percent and is applied to the customer's total billed amount. The Metro Supportive Housing Services Business Income Tax is collected from the Company's customers who receive service in Clackamas, Multnomah, and Washington counties.

PGE is proposing to increase the Metro Supportive Housing Services Business Income Tax rate to 0.083 percent. The company determines the Schedule 103 recovery rate by forecasting its tax liability for the next calendar year. The forecasted tax liability is then adjusted by current year-end balance in the balancing account. The adjusted tax liability is finally divided by the total sum of revenues expected in the next calendar year for the applicable service counties. Table 1 below is a summary of how the proposed rate was calculated.

**[BEGIN CONFIDENTIAL]**



**[END CONFIDENTIAL]**

The proposed rate will affect approximately 804,000 customers in Multnomah, Clackamas, and Washington counties. An average Schedule 7 residential customer consuming 795 Kilo Watt Hours (kWh) will see in their bill an increase of about \$0.07 or 0.05 percent.

Conclusion

After reviewing PGE's filing and supporting workpapers, Staff concludes that PGE's proposed rate increase for Schedule 103, Metro Support Housing Services Business Income Tax Recovery is reasonable. This filing meets the requirements of OAR 860-022-0045(1) and OAR 860-022-0025(2); therefore, Staff recommends the Commission approve PGE's filing.

The Company has reviewed a draft of this memo and voiced no concerns.

**PROPOSED COMMISSION MOTION:**

Approve PGE's application to adjust the rate for Schedule 103, Metro Support Housing Services Business Income Tax Recovery, and allow the associated tariff to take effect with service rendered on and after January 1, 2024.

**SCHEDULE 103  
METRO SUPPORTIVE HOUSING SERVICES BUSINESS INCOME TAX RECOVERY**

**PURPOSE**

To recover from Customers inside Metro's jurisdiction in Clackamas, Multnomah and Washington Counties the Metro Supportive Housing Services (MSHS) Business Income Tax paid by the Company in accordance with Measure 26-210 OAR 860-022-0045 and to establish an associated Automatic Adjustment Clause and balancing account.

**APPLICABLE**

All Customers receiving Electricity Service within Metro's jurisdiction in Clackamas, Multnomah and Washington Counties.

**BALANCING ACCOUNT**

The MSHS Balancing Account will be maintained to accrue any difference between the Company's actual local income tax liability and the amount collected from Customers under this Schedule. Any over or under-collection reflected in this account will be considered when the Metro Supportive Housing Services Rate is established. This Balancing Account will accrue interest at the Commission-authorized rate for deferred accounts.

**METRO SUPPORTIVE HOUSING SERVICES RATE DETERMINATION**

The MSHS Rate is determined by dividing the sum of forecast MSHS tax liability plus or minus any amount in the Balancing Account divided by forecast Retail Revenue from Customers in Metro's jurisdiction in Clackamas, Multnomah or Washington Counties for each tax year or other applicable recovery period.

**MSHS RATE**

The MSHS Rate is:

0.083% of the total billed amount to the Customer excluding the Public Purpose Charge (Schedule 108), Energy Efficiency Funding Adjustment (Schedule 109), Low Income Assistance Charge (Schedule 115) and all other separately stated taxes.

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