

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 28, 2023**

**REGULAR** \_\_\_\_\_ **CONSENT**  X  **EFFECTIVE DATE**  January 1, 2024

**DATE:** December 14, 2023

**TO:** Oregon Public Utility Commission

**FROM:** Dean Ratliff

**THROUGH:** Bryan Conway, Marc Hellman, and Anna Kim **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. ADV 1565/Advice No. 23-33)  
Schedule 150 transportation electrification deferral adjustment rate change.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve Portland General Electric's Advice No. 23-33, with rates effective for service on and after January 1, 2024.

**DISCUSSION:**

Issue

Whether the Public Utility Commission of Oregon (Commission) should approve Portland General Electric's (PGE or the Company) proposed changes to the adjustment rates of Schedule 150.

Applicable Rule or Law

Under ORS 757.205(1):

Every public utility shall file with the Public Utility Commission, within a time to be fixed by the commission, schedules which shall be open to public inspection, showing all rates, tolls and charges which it has established and which are in force at the time for any service performed by it within the state, or for any service in connection therewith or performed by any public utility controlled or operated by it.

A hearing is not required to approve a particular rate change if it is the result of an automatic adjustment clause. ORS 757.210(1)(a).

The Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. ORS 757.210. Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025. Each energy utility changing existing tariffs or schedules must include in its filing (a) a statement plainly indicating the increase, decrease, or other change made with the filing, (b) the number of customers affected by the proposed change, and (c) the resulting change in annual revenue, and the reasons or grounds relied upon in support of the proposed change. OAR 860-022-0025(2).

Filings that propose 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 change. ORS 757.220; OAR 860-022-0015.

When a utility files a tariff or schedule proposing an increased rate, the utility must for each separate schedule:

- a) Identify the total number of customers affected, the total annual revenue derived under the existing schedule, and the amount of estimated revenue which will be derived from applying the proposed schedule,
- b) The average monthly use and resulting bills under both the existing rates and the proposed rates that will fairly represent the application of the proposed tariff or schedules, and
- c) The reasons or grounds relied upon in support of the proposed increase.  
OAR 860-022-0030(1).

Electric companies with more than 25,000 customers must collect a monthly meter charge of .25 percent of total revenues collected from all retail electric customers.<sup>1</sup>

## Analysis

### *Background*

The Commission has approved Schedule 150 for two purposes related to transportation electrification (TE). Those purposes were the recovery of deferred expenses from TE pilots and the collection of House Bill (HB) 2165's monthly meter charge. On December 28, 2021, the Commission approved Schedule 150 adjustment rates to collect the HB 2165 monthly meter charge, which went into effect on January 1, 2022.<sup>2</sup>

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<sup>1</sup> See HB 2165, 81<sup>st</sup> Leg., 2021 Reg. Sess., Section 2(2).

<sup>2</sup> See Docket No. ADV 1325, OPUC, Advice Letter, December 28, 2021, p 1.

On April 25, 2022, the Commission approved Schedule 150 as an adjustment rate to recover TE pilot costs deferred through UM 1938 and UM 2003.<sup>3</sup> Together these adjustment rates impose a cents-per-kilowatt-hour surcharge on retail customer rates.

This filing is the automatic adjustment of Schedule 150's adjustment rates. The Commission approved adjustment rates for TE deferral amortization and monthly meter charge collection with an automatic adjustment clause, meaning the rates can be changed outside of a general rate case as needed to keep expenditures and revenue in balance.

For allocation purposes, the portion of the rate associated with TE deferrals is to be allocated based on distribution revenue as approved in Order No. 22-129, and the portion of the rate associated with HB 2165, directing utilities to collect a TE charge equal to one-quarter of one percent of the total retail revenue for a given year, is to be allocated based on total revenues as approved with Advice No. 21-26.

*Proposed Adjustment Rates*

PGE proposes an updated Schedule 150 prices to recover costs associated with the existing TE deferrals that were recovered through Schedule 150 prior to the addition of HB 2165. Table 1 presents the adjustment rates proposed by PGE for Schedule 150 in Advice No. 23-33.

**Table 1: Advice No. 23-33 Adjustment Rates**

<b>Schedule</b>	<b>Cents per kWh</b>
7	.056
15/515	.043
32/532	.050
38/538	.056
47	.079
49/549	.075
75/575 Secondary	.022
75/575 Primary	.022
75/575 Subtransmission	.019
83/583	.033
85/485/585 Secondary	.028
85/485/585 Primary	.024
89/489/589/689 Secondary	.022
89/489/589/689 Primary	.022

<sup>3</sup> See Docket No. UE 394, OPUC, Order No. 22-129, April 25, 2022, p 61.

Schedule	Cents per kWh
89/489/589/689 Subtransmission	.019
90/490/590 Primary	.021
90/490/590 Subtransmission	.021
91/491/591	.044
92/492/592	.027
95/495/595	.044

These adjustment rates will impact approximately 940,000 customers, according to the Company's forecast for 2024, representing a decrease of \$1.4 million or 0.05 percent decrease in average rates. The impact for a typical residential customer consuming 795 kWh per month is estimated see a bill decrease of \$0.14 or 0.1 percent.

#### *Staff Review*

PGE supplied Staff with the workpapers supporting the calculation of these adjustment rates. Staff reviewed the calculations to confirm the reasonableness of these rates. Staff confirmed:

- PGE allocation is based on distribution revenue as approved in Order No. 22-129 for the portion of the rate adjustment associated with TE deferrals.
- For the portion of the rate adjustment associated with HB 2165, PGE allocation is based on total revenues as approved with Advice No. 21-26.
- PGE adjustment rates accurately reflect the deferral cost adjustments and collect the statutory requirement of 0.25 percent.
- PGE adjustment rates are consistent with statutory and OPUC orders.

Therefore, Staff finds the adjustment rates PGE has proposed to be reasonable.

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

#### Conclusion

Staff recommends the Commission approve PGE's change to the adjustment rates for Schedule 150.

#### **PROPOSED COMMISSION MOTION:**

Approve Portland General Electric's Advice No. 23-33, with rates effective for service on and after January 1, 2024.