



Portland General Electric Company

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October 6, 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 - Sixth Partial Stipulation

Dear Filing Center:

On behalf of Portland General Electric Company and Stipulating parties, enclosed for filing in the above-captioned docket is the following:

- Motion to Admit Sixth Partial Stipulation
- Sixth Partial Stipulation
- Joint Testimony and Exhibits in Support of Sixth Partial Stipulation

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 OREGON
UE 416**

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

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

**MOTION TO ADMIT SIXTH PARTIAL
STIPULATION**

Portland General Electric Company (PGE), Staff of the Public Utility Commission of Oregon, the Oregon Citizens' Utility Board, the Alliance of Western Energy Consumers, Fred Meyer Stores, Walmart, Inc., Natural Resources Defense Council, and NW Energy Coalition, Community Action Partnership of Oregon, and Small Business Utility Advocates (jointly, the “Stipulating Parties”) have reached a partial settlement resolving the remaining issues in this docket memorialized in the Sixth Stipulation. Although not a party to the stipulation, Community Energy Project supported terms regarding the income qualified bill discount and low-income needs assessment but did not take a position on the other issues resolved. Calpine Solutions did not take a position on the issues resolved and are not a party to the stipulation. Settlement conferences were conducted on September 14, 2023, and September 20, 2023.

Pursuant to OAR 860-001-0350(7), PGE, on behalf of the Stipulating Parties, moves to admit into the record in this proceeding the Sixth Stipulation. OAR 860-001-350(7)(a) includes a requirement to file an explanatory brief or written testimony in support of stipulation. PGE files separately Joint Testimony in support of the Sixth Partial Stipulation (Stipulating Parties Exhibit 400).

PGE hereby requests the Commission issue an order approving the Sixth Partial Stipulation without modification. Stipulating Parties support this motion.

DATED this 6th day of October, 2023.

Respectfully submitted,



Kim S. Burton
Assistant General Counsel III
PORTLAND GENERAL ELECTRIC COMPANY
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Portland, Oregon 97204
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**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 416

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Request for 2024 General Rate Revision

SIXTH PARTIAL STIPULATION

This Sixth Partial Stipulation (Stipulation) is between Portland General Electric Company (PGE), Staff of the Public Utility Commission of Oregon (Staff), the Oregon Citizens' Utility Board (CUB), the Alliance of Western Energy Consumers (AWEC), Fred Meyer Stores and Quality Food Centers, Division of The Kroger Co. (Kroger), Walmart, Inc. (Walmart), Natural Resources Defense Council (NRDC) and NW Energy Coalition (NWEC), Community Action Partnership of Oregon (CAPO), and Small Business Utility Advocates – Oregon (SBUA-Oregon) (collectively, the Stipulating Parties). While not a signatory, Community Energy Project (CEP) supports Term 13 of the Stipulation and does not oppose the other terms of the Stipulation. Calpine Solutions, did not take a position on the issues resolved by this Stipulation, therefore is not a party to this Stipulation but does not oppose it.

PGE filed this general rate case (GRC) on February 15, 2023. The filing included 14 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, Staff and intervening parties have submitted approximately 1,300 data requests obtaining additional information.

PGE previously achieved partial settlements in this docket on June 14, 2023, and July 11, 2023, resolving certain issues related to net variable power costs (NVPC) in this GRC as detailed in the First and Third Stipulations filed on August 21, 2023. The parties also engaged in settlement discussions on June 28, 2023, August 1, 2023, August 7, 2023, and August 8, 2023, regarding non-NVPC items in this GRC resulting in the Second Stipulation filed on August 21, 2023. The parties continued to meet for settlement discussions on August 29, 2023, and September 6, 2023, and through email arrived at an agreement resulting in the Fourth and Fifth Stipulations, which were primarily related to rate spread and rate design.

Finally, parties met on September 14, 2023, and September 20, 2023, resulting in a final settlement resolving all remaining issues in this case not yet addressed in any prior stipulation. The Stipulating Parties participated in these settlement discussions with Calpine Solutions and CEP. As a result of the discussions, the Stipulating Parties have reached a compromise settlement resolving all remaining issues in this docket, as set forth below.

TERMS OF SIXTH PARTIAL STIPULATION

1. Wages & Salaries and Fuel Stock (S-10 and S-29)
 - a. Parties agree that PGE will reduce rate base by \$16 million to resolve all outstanding Wages & Salaries and Fuel Stock issues in this case.
2. Blackbox settlement for net variable power costs
 - a. Parties agree that PGE will reduce power costs by \$3 million to address AWEC's proposed adjustments for flexibility reserves and AWEC's adjustments related to the July 14 MONET Updates.

3. [HIGHLY CONFIDENTIAL START] [REDACTED]

a. [REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

[REDACTED] [HIGHLY CONFIDENTIAL END]

4. Blackbox settlement for remaining revenue requirement issues

a. Parties agree that PGE will reduce its revenue requirement by \$6 million for all remaining revenue requirement issues including State Tax – Flow Through (A-02), Routine Vegetation Management (A-05 & S-25), Property Insurance (A-07), Generation Outside Services (A-08), and World Trade Center Rental Expense (A-16).

5. Employee Discount (C-04)

a. Parties agree that PGE may recover the costs associated with its employee discount equal to 15%.

6. Return on Equity (ROE) (S-01, A/C-01)

a. Parties agree that PGE will maintain an authorized ROE of 9.5%.

7. Average Rate Base (S-05)

a. Parties agree to no change to PGE’s rate base calculation.

b. Parties agree to discuss the topic and work through any issues as part of a future Stakeholder workshop.

- c. Parties expressly agree the stipulated determination of PGE’s rate base in this docket is without prejudice to litigation regarding the appropriate method to establish rate base in a subsequent proceeding.

8. Routine Vegetation Management Mechanism

- a. Parties agree that PGE will establish a balancing account for routine vegetation management expenses.
- b. For purposes of establishing a baseline for the balancing account, Parties agree to the amount of vegetation management as filed by PGE in this rate case.
- c. Parties agree to engage in a subsequent process to establish metrics that can be applicable going forward to PGE’s routine vegetation management spending subject to an earnings test at PGE's authorized ROE on the annual under- or over-collection.
- d. Parties agree that this mechanism will sunset after 12/31/2026.

9. Decoupling

- a. Parties agree that PGE will file a tariff for decoupling no later than 90 days after the Commission order in this GRC.
- b. The tariff will include a 3% soft cap on residential and small non-residential customers.
- c. The decoupling tariff will include a sunset after 12/31/2025.
- d. Parties will be free to support or oppose the tariff when it is filed.

10. Power Cost Adjustment Mechanism (PCAM)

- a. Parties agree that 80% of actual Reliability Contingency Events (RCE)¹ costs above the RCE forecast from PGE’s Annual Update Tariff (AUT) will be recovered through

¹ To be consistent with the definition provided in the proposed revisions to Schedule 126 included in PGE’s Initial Filing.

rates in Schedule 126 and not be subject to the earnings test or deadbands for the annual power cost variance.

- b. Parties agree that the remaining RCE costs not recovered will flow through the existing PCAM.
- c. This mechanism will sunset after 12/31/2025.

11. Workshops to address various topics

- a. Parties agree to hold stakeholder workshops on single-issue ratemaking, automatic adjustment clause (AAC), PCAM, and decoupling.

12. Renewable Automatic Adjustment Clause (RAAC)

- a. Parties agree that PGE agrees to withdraw RAAC “associated storage” proposal within this proceeding.

13. Income Qualified Bill Discount (IQBD) and Low Income Needs Assessment (LINA)

- a. Parties agree that PGE will update its IQBD program as soon as practicable to reflect the discount tiers as proposed within PGE’s surrebuttal.
- b. Parties agree that PGE will complete a LINA study by June 30, 2024.
- c. Parties agree that PGE will submit a new discount program informed by the LINA report within 90 days of receiving the report.

14. Earnings Test on Schedule 153

- a. For settlement purposes, Parties agree that PGE will be subject to an earnings test on the true-up associated with the Community Benefits Impact Advisory Group at PGE’s authorized ROE.

15. Schedule 32 User Information

- a. Parties agree that, under appropriate confidentiality protections, PGE will provide a breakdown of the electricity consumption of the larger Schedule 32 users by Standard Industrial Classification (SIC) or similar industry classification scheme by June 2024.

16. Low Clearance Report

- a. Parties agree that PGE will file its low clearance report no later than May 1 each year unless Staff and PGE agree to an extension.

Stipulating Parties recommend and request that the Commission approve the adjustments and provisions described herein as appropriate and reasonable resolutions of all issues addressed in this Stipulation.

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.

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.

Stipulating Parties have negotiated this Stipulation as an integrated document. The Stipulating Parties seek to obtain Commission approval of this Stipulation no later than December 18. 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.

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. Unless provided otherwise 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.

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 6th day of October, 2023.

Brett Sims

PORTLAND GENERAL ELECTRIC
COMPANY

Stephanie Andrus

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

Mike Goetz

OREGON CITIZENS UTILITY BOARD

Brent Coleman

ALLIANCE OF WESTERN
ENERGY CONSUMERS

Kurt Boehm

THE KROGER CO.

Justina Caviglia

WALMART

Diane Henkels

SMALL BUSINESS UTILITY
ADVOCATES-OREGON

Benedikt Springer

COMMUNITY ACTION PARTNERSHIP
OF OREGON

Lauren McCloy

NRDC/NWEC

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

**UE 416
General Rate Revision**

**PORTLAND GENERAL ELECTRIC
COMPANY**

Joint Testimony in Support of Sixth Stipulation

Direct Testimony of:

Matthew Muldoon, OPUC Staff

Bob Jenks, CUB

Bradley G. Mullins, AWEC

Justin Bieber, Kroger

Steve Chriss, Walmart

Lauren McCloy, NRDC/NWEC

Benedikt Springer, CAPO

Danny Kermode, SBUA-Oregon

Jaki Ferchland, PGE

October 6, 2023

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I. Introduction.

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

2 A. My name is Matthew Muldoon. I am a Manager in the Finance and Accounting Section of the
3 Rates, Safety and Utility Performance Program of the Public Utility Commission of Oregon
4 (OPUC). My qualifications appear in Staff/401.

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 Justin Bieber. I am a Regulatory Consultant for Fred Meyer Stores and
11 Quality Food Centers, Division of The Kroger Co. (Kroger). My qualifications appear at the
12 end of Exhibit Stipulating Parties/100.

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

15 My name is Lauren McCloy. I am the Policy Director for the NW Energy Coalition
16 (NVEC). I am also representing on behalf of the Natural Resources Defense Council (NRDC)
17 in this joint testimony. My qualifications appear in Exhibit Cavanagh-McCloy/101, as
18 amended on September 6, 2023.

19 My name is Benedikt Springer. I am a Utility Policy Analyst with the Community Action
20 Partnership of Oregon (CAPO). My qualifications appear in Exhibit CAPO/100.

21

1 My name is Danny Kermode. I am a Regulatory Consultant for the Small Business Utility
2 Advocates – Oregon (SBUA-Oregon). My qualifications appear in Stipulating Parties/300.

3 My name is Jaki Ferchland. I am a Manager in Regulatory Affairs for Portland General
4 Electric Company (PGE). My qualifications appear at the end of Exhibit PGE/200.

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

6 A. The purpose of our testimony is to describe the Sixth Stipulation (Stipulation) resolving all
7 remaining issues in this case reached through a series of Settlement Conferences and emails.
8 The Settlement Conferences occurred on September 14, 2023, and September 20, 2023
9 between Parties to this proceeding, OPUC Staff (Staff), CUB, AWEC, Walmart, Kroger,
10 NRDC/NWEC, CAPO, SBUA-Oregon, and PGE (Stipulating Parties or Parties). Community
11 Energy Project (CEP) did not sign the Stipulation, but indicated it supports Term 13 of the
12 Stipulation and does not oppose the remaining terms of the Stipulation. A copy of the
13 Stipulation is provided as Stipulating Parties Exhibit 401. An integrated revenue requirement
14 is provided as Stipulating Parties Exhibit 402, and the rate spread model is provided as
15 Stipulating Parties Exhibit 403. While there are other parties to this case, those parties have
16 not taken any position on the issues resolved in this Stipulation and do not oppose this
17 Stipulation.

18 **Q. What is the basis for the Stipulation?**

19 A. PGE filed this general rate case (GRC) on February 15, 2023. Over the following six months,
20 Staff, AWEC, CUB, Calpine Solutions, Kroger, New Sun Energy, and NRDC/NWEC
21 submitted, and PGE responded to, over 1,300 data requests relating to PGE's filed case.
22 On April 13, 2023, Parties held a workshop to discuss various topics and issues related to the
23 filing. On May 24, 2023, Parties filed opening testimony related to net variable power costs

1 (NVPC), and on June 13, 2023, Parties filed opening testimony related to all other topics in
 2 the case.¹ On June 14, 2023, and again on July 11, 2023, the Stipulating Parties participated
 3 in Settlement Conferences related to NVPC and agreed to settlements of certain NVPC items.
 4 Those settlements represent the First and Third Stipulations in this GRC.

5 On June 28, 2023, August 1, 2023, August 7, 2023, and August 8, 2023, the Stipulating
 6 Parties attended Settlement Conferences related to non-NVPC items, and the Stipulating
 7 Parties agreed to additional settlements of certain items in this GRC resulting in the Second
 8 Stipulation. Then, on August 29, 2023 and September 6, 2023 the Stipulating Parties
 9 participated in Settlement Conferences related to rate spread and rate design and agreed via
 10 email to a settlement on September 11, 2023.

11 Settlement Conferences continued on September 14, 2023 and over email, with a final
 12 meeting on September 20, 2023 resulting in a settlement resolving all remaining issues in the
 13 docket.

14 **Q. Please summarize the agreements contained in the Sixth Stipulation.**

15 A. The Stipulation represents the settlement of the following issues:

- 16 • Wages & Salaries and Fuel Stock
- 17 • NVPC
- 18 • [HIGHLY CONFIDENTIAL START] [REDACTED] [HIGHLY
 19 CONFIDENTIAL END]
- 20 • State Tax Flow Through
- 21 • Routine Vegetation Management (RVM) Expenses

¹ SBUA did not file opening testimony, but SBUA did file, on June 13, 2023, a statement as much and reserving right to respond and participate in other ways. SBUA’s expert submitted public comment on May 3, 2023.

- 1 • Property Insurance
- 2 • Generation Outside Services
- 3 • World Trade Center Rental Expense
- 4 • Employee Discount
- 5 • Return on Equity (ROE)
- 6 • Average Rate Base
- 7 • RVM Mechanism
- 8 • Revenue Decoupling (Decoupling)
- 9 • Power Cost Adjustment Mechanism (PCAM)
- 10 • Automatic Adjustment Clauses (AACs), Deferrals and single-issue ratemaking
- 11 • Renewable Automatic Adjustment Clause (RAAC)
- 12 • Income Qualified Bill Discount (IQBD)
- 13 • Low-Income Needs Assessment (LINA)
- 14 • Earnings Test on Schedule 153
- 15 • Schedule 32 User Information
- 16 • Low Clearance Report

17 **Q. Does the Stipulation resolve all remaining issues in this proceeding?**

18 A. Yes. The Stipulation resolves all of the items listed above and any item not addressed in this
 19 stipulation or a previous stipulation is considered withdrawn by the Stipulating Parties.

II. Discourse on Resolved Issues

1 **Q. Please describe the Stipulation regarding the Wages & Salaries and Fuel Stock.**

2 A. In testimony, Staff proposed that PGE reduce rate base by \$459 thousand for actual wages
3 and salaries and by \$3.5 million as an adjustment for full-time employees.²
4 Their recommendations were based on Staff’s three-year wages and salaries model. In their
5 rebuttal testimony, Staff recommended that this be a permanent reduction.³ PGE disagreed
6 with Staff’s proposal based on the argument that the proposal was taking a narrow perspective
7 of PGE’s total compensation and labor pool. PGE also argued that a permanent reduction
8 resulting in a write-off would effectively constitute double counting because the labor dollars
9 would need to be connected to a capital project, and all issues associated with capital projects
10 had already been settled in this case.⁴

11 Staff also argued in testimony that a “[a] significant portion of PGE’s fuel stock is
12 imprudent and should be disallowed.”⁵ PGE responded by arguing that Staff’s testimony
13 “mischaracterize[d] both the structure of and purpose of PGE’s rights at North Mist”⁶ and that
14 Staff’s adjustments to the price and quantity of PGE’s fuel stocks are flawed.⁷

15 For settlement purposes, Parties agree that PGE will reduce rate base by \$16 million for
16 the test year to resolve all outstanding issues related to both wages & salaries and fuel stock.

² Staff/1300, Jent/24 at 14-20.

³ Staff/3600, Jent/10 at 20-22.

⁴ PGE/3800, Mersereau-Neitzke at 3-5.

⁵ Staff/2700, Ankum-Fischer/51 at 2-3.

⁶ PGE /1700, Batzler-Ferchland/30 at 6-8.

⁷ *Id.* at 8-9.

1 **Q. Please describe the Stipulation regarding NVPC.**

2 A. There were two primary topics that remained open in the NVPC portion of this docket. AWEC
3 continued to challenge expenses related to PGE’s flexibility downward reserves and raised
4 three issues associated with PGE’s July 14, 2023 MONET update. Combined, these proposed
5 reductions equaled [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL].
6 PGE disagreed with AWEC’s proposed reductions and provided support within reply and
7 surrebuttal testimony.

8 Although opening briefs and AWEC’s reply brief have already been filed, Parties agree
9 that PGE will reduce its NVPC forecast for 2024 by \$3 million to resolve these issues.

10 **Q. Please describe the Stipulation regarding [HIGHLY CONFIDENTIAL START] [REDACTED]**

11 [REDACTED]

12 **A.** [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED] **[HIGHLY CONFIDENTIAL END]**

1 **Q. Please describe the black box settlement for the remaining revenue requirement issues.**

2 A. In opening testimony, AWEC proposed reductions to operations and maintenance of
3 \$6.2 million for insurance,⁸ \$2.7 million for generation outside services,⁹ \$25.2 million for
4 RVM¹⁰ and \$9.2 million¹¹ for PGE rental expense of the world trade center. Additionally,
5 AWEC proposed that PGE alter its accounting method for state income taxes from PGE's
6 currently used normalization method to the flow-through method. For this change, AWEC
7 proposed reducing PGE's revenue requirement by \$74 million for two years.¹²

8 PGE provided reply testimony disputing each of the proposed adjustments. In rebuttal
9 testimony, AWEC reduced its proposed reduction for insurance to \$1.8 million¹³ and its
10 proposed reduction for generation outside services to \$2.3 million but maintained their other
11 positions. In rebuttal testimony, Staff opposed AWEC's proposal to alter PGE's state tax
12 accounting method and AWEC's proposed reduction to PGE's insurance expense. Staff also
13 argued against the size of AWEC's proposed reduction to PGE's RVM expense and
14 maintained that Staff's proposed reduction of \$340 thousand in combination with their
15 proposed RVM cost recovery mechanism (addressed below) would be a more appropriate
16 outcome.

17 To resolve all of the issues described, Parties agree that PGE will reduce its revenue
18 requirement by \$6 million.

⁸ AWEC/200, Mullins/17 at 9-13.

⁹ *Id.* /18 at Table 5: Total Delta

¹⁰ *Id.* /14 at 16-19.

¹¹ AWEC/300, Kaufman/31 at 6.

¹² AWEC/200, Mullins/8.

¹³ AWEC/600, Mullins/13.

1 **Q. How did the Parties resolve the issues related to PGE’s employee discount?**

2 A. In opening testimony, CUB proposed a reduction of \$1.3 million reflecting their
3 recommendation to reduce PGE’s employee discount from 25% to 5%.¹⁴ CUB argued that
4 because PGE’s income qualified bill discount (IQBD) structure currently offers a 25%
5 discount as its highest tier-level discount for low-income customers, it is unfair for PGE
6 employees to obtain a 25% discount. PGE disagreed with altering a 50-year program for its
7 employees and argued that the proposal by CUB made a misleading comparison to a new,
8 significantly larger program at an estimated cost of \$40 to \$50 million. For the purposes of
9 settlement in this case, Parties agreed that PGE will recover the employee discount at a value
10 of 15%.

11 **Q. How did the Parties resolve issues related to PGE’s authorized ROE?**

12 A. PGE proposed increasing its authorized ROE for the 2024 test year to 9.8% reflective of
13 current and expected future market conditions. In opening testimony, Staff proposed that PGE
14 receive an authorized ROE of 9.0%.¹⁵ CUB and AWEC provided joint testimony
15 recommending that PGE maintain an authorized ROE of 9.5%.¹⁶ Parties agree that PGE will
16 maintain its authorized ROE of 9.5%.

17 **Q. How did the Parties resolve PGE’s calculation of rate base?**

18 A. In opening testimony Staff proposed that PGE calculate rate base using an average of averages
19 for test year accumulated depreciation to net against a year-end value for capital.¹⁷
20 PGE disagreed with Staff’s methodology and argued that such a method would constitute a
21 mismatch of values. Parties agree that Staff will withdraw its proposal in this case.

¹⁴ CUB/200, Gherke/12 at 5-6.

¹⁵ Staff/400, Muldoon/25 at Table 8.

¹⁶ AWEC-CUB/100, Walters/2 at 14.

¹⁷ Staff/800, Stevens-Young/2 at 1-4.

1 **Q. Please describe the Stipulation regarding the RVM performance-based rate (PBR)**
2 **mechanism.**

3 A. In opening testimony, Staff proposed an RVM PBR mechanism that would impose an earnings
4 test on the first \$6 million of incremental RVM expenditure beyond what is included in base
5 rates.¹⁸ The amount of prudently incurred costs subject to amortization would be adjusted
6 based on the number of OPUC vegetation management violations.¹⁹ In rebuttal testimony,
7 Staff altered the proposed thresholds for its proposed RVM PBR mechanism. In both reply
8 testimony and rebuttal testimony, PGE expressed agreement to the balancing account portion
9 of the mechanism but disagreed with the PBR portion of the mechanism. Relevant to this
10 agreement, PGE argued that the metrics proposed by Staff are not transparent, repeatable, or
11 statistically valid. PGE believes that such a mechanism should be based on sound metrics that
12 are repeatable and consistently employed. To resolve this issue, Parties agree that PGE will
13 establish a balancing account for RVM expenses with a baseline amount equal to the amount
14 of RVM expenses proposed by PGE in this rate case.

15 Parties also agree to engage in a future process to establish metrics that can be applicable
16 going forward to PGE's RVM spending subject to an earnings test for only the amounts above
17 or below the baseline at PGE's authorized ROE. Furthermore, Parties agree that this
18 mechanism will sunset after December 31, 2026.

19 **Q. How did the Parties resolve issues related to the PCAM?**

20 A. In opening testimony, PGE proposed that the Commission reexamine the original principles
21 established as the basis for creating the structure for the existing PCAM given the significant
22 evolution of policy, market dynamics and changes to PGE's and the regional resource

¹⁸ Staff/2000, Stevens/24 at 4-18.

¹⁹ *Id.* at 6-7.

1 composition. In alignment with the new principles proposed, PGE requested to update the
2 existing PCAM to a mechanism that would allow for the recovery of 90% of NVPC above or
3 below the annually established baseline from customers. Further, PGE proposed that all actual
4 NVPC associated with a reliability contingency event (RCE)²⁰ be separated for full recovery.
5 Staff, CUB, and AWEC disagreed with PGE's positions. Staff first argued that the PCAM
6 should not change and also included an alternative approach utilizing a two-tiered structure
7 with a first tier set at \$60 million above or below the baseline wherein PGE would share costs
8 30% with customers. Outside of the first tier, PGE would then share 80% with customers.
9 CUB proposed that the PCAM deadbands be increased and argued that the original ROE
10 percentages in the PCAM of 150/75 basis points now exceed the fixed deadbands of
11 \$30 million/\$15 million. AWEC argued against any changes to the existing PCAM.

12 To resolve this issue, Parties agree that PGE will recover 80% of actual RCE costs above
13 the RCE forecast from PGE's Annual Update Tariff. These RCE costs will be collected
14 through Schedule 126 and not be subject to the PCAM deadbands or earnings test.
15 The remaining 20% of prudently incurred RCE costs will remain subject to the current PCAM
16 mechanism. The RCE recovery mechanism has a sunset date of December 31, 2025.
17 Parties also agree to stakeholder workshops to discuss the PCAM and recovery of power costs.

18 **Q. Please describe the Stipulation regarding decoupling.**

19 A. In opening testimony, PGE discussed the possibility of returning to a decoupling mechanism
20 for residential and small non-residential customers that would include a symmetrical 3% soft

²⁰ An RCE is defined by PGE in PGE Exhibit 400 as any event meeting two of the following criteria: 1) Day-ahead Mid-Columbia index prices exceed \$150/MWh, 2) PGE is eligible to request or acquire resource adequacy (RA) assistance through a regional RA program in which it participates, and 3) A neighboring balancing authority area has declared an event that indicates impending or realized RA constraints.

1 cap.²¹ However, PGE argued that it is important to first obtain reform of its PCAM in order
2 to avoid refunding revenues during demand periods where increased revenues would be
3 needed to offset higher power costs. NRDC and NWECA supplied joint testimony supporting
4 the return of decoupling. CUB also provided testimony in support of a decoupling mechanism
5 but argued that decoupling should not be linked to the PCAM. Staff does not support the return
6 of a decoupling mechanism.

7 To resolve this issue, Parties agreed that PGE would file a tariff for decoupling no later
8 than 90 days after the Commission order in this GRC reflecting a soft cap of 3% for residential
9 and small residential customers that will sunset after December 31, 2025. Parties will be free
10 to either support or oppose the filing.

11 **Q. What position did Parties take regarding AACs, deferrals and single-issue ratemaking?**

12 A. In opening testimony, PGE requested that the Commission recognize deferrals and AACs as
13 distinct and separate mechanisms and not require a deferral filing to be paired with each
14 AAC.²² Parties disagreed with PGE and argued that any changes in AAC amounts driven by
15 a true-up to actuals in the prior year would constitute retroactive ratemaking and, therefore,
16 require a deferral. PGE disagrees that an AAC true-up meets the definition of retroactive
17 ratemaking.

18 Additionally, in opening testimony, both Staff and CUB proposed that every AAC should
19 have an earnings test. Staff proposed that mature pilot programs should be moved into base
20 rates and that certain schedules be consolidated. CUB proposed that certain schedules be
21 eliminated, that PGE provide a list of AACs, deferrals and single-issue ratemaking

²¹ PGE/1300, Macfarlane-Pleasant/41 at 6-16.

²² PGE/1400, Ferchland-Batzler/1-2 at 14-5.

1 mechanisms in place each year, and that all AACs sunset after three years. PGE disagreed
 2 with the various recommendations, as outlined in PGE Exhibits 3000 and 3400.

3 **Q. How will Parties resolve the remaining issues related to PCAM, decoupling, deferrals,
 4 and AACs?**

5 A. Parties have agreed to hold stakeholder workshops on single-issue ratemaking, AAC, PCAM,
 6 and decoupling.

7 **Q. What was the renewable automatic adjustment clause (RAAC) battery storage issue and
 8 how did the Parties resolve it?**

9 A. In this proceeding, PGE proposed that investments made in standalone battery storage built
 10 for the purpose of integrating renewables be recoverable through the use of a RAAC, as such
 11 storage would meet the definition of “associated storage” under Senate Bill 1547.²³ CUB and
 12 Staff disagreed with PGE’s proposal arguing that battery storage must be co-located with a
 13 renewable resource to meet the definition. For purposes of settlement, PGE agreed to
 14 withdraw its proposal in this case.

15 **Q. What issues were raised regarding a low-income needs assessment (LINA) and PGE’s
 16 Income Qualified Discount (IQBD) offering, and how were they resolved?**

17 A. In rebuttal testimony, Staff recommended that PGE complete a LINA no later than
 18 January 1, 2025 with the results to be made public, and that the costs associated with the LINA
 19 be deferred through Docket No. UM 2219. Additionally, Staff recommended that the costs
 20 and scope of the LINA be determined collaboratively with Staff and stakeholders.²⁴ CEP-
 21 CAPO rebuttal testimony offered a similar proposal, requiring a collaborative effort to

²³ PGE 1300, Macfarlane-Pleasant/50 at 17-20.

²⁴ Staff/3100, Scala/3 at 7-20.

1 determine the research questions and a December 2024 completion date.²⁵ CUB’s rebuttal
2 testimony offered support for Staff, CEP, and CAPO’s proposed LINA.²⁶ In surrebuttal
3 testimony, PGE committed to facilitate a LINA in 2024, utilizing a third-party contractor, and
4 agreed to work with the Community Benefits and Impacts Advisory Group (CBIAG) to
5 develop the scope, approach, and deliverables of the LINA.²⁷

6 Staff’s rebuttal testimony proposed changes to IQBD included a five-tier²⁸ state median
7 income (SMI) structure, with the highest tier, Tier 0, receiving a discount of up to 90% for
8 those earning 0-5% of the SMI and the lowest tier, Tier 4, receiving a discount of 15%.²⁹ CEP-
9 CAPO proposed a similar IQBD discount structure to Staff’s proposal.³⁰ In rebuttal testimony,
10 CUB offered a discount structure with four tiers, with the highest discount (Tier 0) at 60%.³¹
11 AWEC did not support Staff or other Parties’ IQBD proposals in rebuttal testimony, stating
12 that the proposals “effectively caps a residential customer’s electricity bill which will
13 exacerbate cost shifting to other customers.”³² In opening testimony, PGE proposed to expand
14 the IQBD program to include a 40% discount for the lowest income levels.³³ However, in
15 response to Staff and Parties’ proposals and testimony, PGE ultimately proposed in surrebuttal
16 testimony an IQBD discount structure that called for a maximum discount of 60% for the
17 lowest income levels (i.e., 0-5% SMI). Additionally, PGE noted concerns about “both the
18 levels and complexity associated with parties’ proposals,”³⁴ while remaining “supportive of

²⁵ CEP-CAPO/200, Fain-Springer/2 at 4-9.

²⁶ CUB/500, Gerhke/12 at 1-2.

²⁷ PGE/4100, Radcliffe-Macfarlane/16 at 4-13.

²⁸ Staff’s proposed five-tier SMI structure included a “sliding discount scale” for Tiers 0 and 1, which in effect would have created a 19-tier structure.

²⁹ Staff/3100, Scala/4-5 at 19-7.

³⁰ CEP-CAPO/200, Fain-Springer/1-2 at 17-1.

³¹ CUB/500, Gehrke/13 at 11.

³² AWEC/500, Kaufman/20 at 7-8

³³ PGE/2600, Macfarlane-Pleasant/11-12 at 20-3.

³⁴ PGE/4100, Radcliffe-Macfarlane/11 at 10-11.

1 updating its IQBD program [...] to address some of the program’s most energy-burdened
2 participants.”³⁵

3 **Q. What issues were raised regarding the cost recovery of expenses for the CBIAG?**

4 A. In opening testimony, Staff recommended that an earnings test be placed on Schedule 153.³⁶
5 PGE disagrees that these costs should be subject to an earnings review; however, for
6 settlement purposes only, Parties agree that the annual over- or under-collection of CBIAG
7 costs included in Schedule 153 will be subject to an earnings test at PGE’s authorized ROE.

8 **Q. Please describe the settlement regarding Schedule 32 user information.**

9 A. During settlement discussions, SBUA-Oregon requested that PGE provide a breakdown of the
10 electricity consumption of the larger Schedule 32 customers by Standard Industrial
11 Classification or similar industry classification scheme by June 2024. Parties agree that PGE
12 will provide the information as requested incorporating confidentiality protections as
13 appropriate.³⁷

14 **Q. Please describe the settlement regarding the low clearance report.**

15 A. The low clearance report is a report provided by PGE each year to Safety Staff on PGE’s low-
16 clearance program. This program and the reporting were approved by the Commission as a
17 part of a stipulation in Docket UE 319 through Order No. 18-464. Although this topic was not

³⁵ PGE/4100, Radcliffe-Macfarlane/11 at 15-16.

³⁶ Staff/2200, Dlouhy-Muldoon-Scala-Stevens/18 at 3-11.

³⁷ For example, broadening the user group if the identity of those customers in a smaller category is easily ascertained

1 discussed by the Parties in testimony, PGE and Parties agree that this filing will be made each
2 year no later than May 1.

3 **Q. Does this settlement resolve all of the remaining issues in this GRC?**

4 A. Yes.

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

7 A. The Stipulating Parties agree that rates consistent with this Stipulation would be fair, just,
8 and reasonable.

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

10 A. No.

11 **Q. Does this conclude your testimony?**

12 A. Yes.

List of Exhibits

<u>Stipulating Parties Exhibit</u>	<u>Description</u>
401	Sixth Partial Stipulation
402	Integrated Revenue Requirement
403	Rate Spread Table

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 416

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Request for 2024 General Rate Revision

SIXTH PARTIAL STIPULATION

This Sixth Partial Stipulation (Stipulation) is between Portland General Electric Company (PGE), Staff of the Public Utility Commission of Oregon (Staff), the Oregon Citizens' Utility Board (CUB), the Alliance of Western Energy Consumers (AWEC), Fred Meyer Stores and Quality Food Centers, Division of The Kroger Co. (Kroger), Walmart, Inc. (Walmart), Natural Resources Defense Council (NRDC) and NW Energy Coalition (NWEC), Community Action Partnership of Oregon (CAPO), and Small Business Utility Advocates – Oregon (SBUA-Oregon) (collectively, the Stipulating Parties). While not a signatory, Community Energy Project (CEP) supports Term 13 of the Stipulation and does not oppose the other terms of the Stipulation. Calpine Solutions, did not take a position on the issues resolved by this Stipulation, therefore is not a party to this Stipulation but does not oppose it.

PGE filed this general rate case (GRC) on February 15, 2023. The filing included 14 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, Staff and intervening parties have submitted approximately 1,300 data requests obtaining additional information.

PGE previously achieved partial settlements in this docket on June 14, 2023, and July 11, 2023, resolving certain issues related to net variable power costs (NVPC) in this GRC as detailed in the First and Third Stipulations filed on August 21, 2023. The parties also engaged in settlement discussions on June 28, 2023, August 1, 2023, August 7, 2023, and August 8, 2023, regarding non-NVPC items in this GRC resulting in the Second Stipulation filed on August 21, 2023. The parties continued to meet for settlement discussions on August 29, 2023, and September 6, 2023, and through email arrived at an agreement resulting in the Fourth and Fifth Stipulations, which were primarily related to rate spread and rate design.

Finally, parties met on September 14, 2023, and September 20, 2023, resulting in a final settlement resolving all remaining issues in this case not yet addressed in any prior stipulation. The Stipulating Parties participated in these settlement discussions with Calpine Solutions and CEP. As a result of the discussions, the Stipulating Parties have reached a compromise settlement resolving all remaining issues in this docket, as set forth below.

TERMS OF SIXTH PARTIAL STIPULATION

1. Wages & Salaries and Fuel Stock (S-10 and S-29)
 - a. Parties agree that PGE will reduce rate base by \$16 million to resolve all outstanding Wages & Salaries and Fuel Stock issues in this case.
2. Blackbox settlement for net variable power costs
 - a. Parties agree that PGE will reduce power costs by \$3 million to address AWEC's proposed adjustments for flexibility reserves and AWEC's adjustments related to the July 14 MONET Updates.

3. [HIGHLY CONFIDENTIAL START] [REDACTED]
- a. [REDACTED]
- [REDACTED]
- b. [REDACTED]
- [REDACTED]
- [REDACTED] [HIGHLY CONFIDENTIAL END]
4. Blackbox settlement for remaining revenue requirement issues
- a. Parties agree that PGE will reduce its revenue requirement by \$6 million for all remaining revenue requirement issues including State Tax – Flow Through (A-02), Routine Vegetation Management (A-05 & S-25), Property Insurance (A-07), Generation Outside Services (A-08), and World Trade Center Rental Expense (A-16).
5. Employee Discount (C-04)
- a. Parties agree that PGE may recover the costs associated with its employee discount equal to 15%.
6. Return on Equity (ROE) (S-01, A/C-01)
- a. Parties agree that PGE will maintain an authorized ROE of 9.5%.
7. Average Rate Base (S-05)
- a. Parties agree to no change to PGE’s rate base calculation.
- b. Parties agree to discuss the topic and work through any issues as part of a future Stakeholder workshop.

- c. Parties expressly agree the stipulated determination of PGE’s rate base in this docket is without prejudice to litigation regarding the appropriate method to establish rate base in a subsequent proceeding.

8. Routine Vegetation Management Mechanism

- a. Parties agree that PGE will establish a balancing account for routine vegetation management expenses.
- b. For purposes of establishing a baseline for the balancing account, Parties agree to the amount of vegetation management as filed by PGE in this rate case.
- c. Parties agree to engage in a subsequent process to establish metrics that can be applicable going forward to PGE’s routine vegetation management spending subject to an earnings test at PGE's authorized ROE on the annual under- or over-collection.
- d. Parties agree that this mechanism will sunset after 12/31/2026.

9. Decoupling

- a. Parties agree that PGE will file a tariff for decoupling no later than 90 days after the Commission order in this GRC.
- b. The tariff will include a 3% soft cap on residential and small non-residential customers.
- c. The decoupling tariff will include a sunset after 12/31/2025.
- d. Parties will be free to support or oppose the tariff when it is filed.

10. Power Cost Adjustment Mechanism (PCAM)

- a. Parties agree that 80% of actual Reliability Contingency Events (RCE)¹ costs above the RCE forecast from PGE’s Annual Update Tariff (AUT) will be recovered through

¹ To be consistent with the definition provided in the proposed revisions to Schedule 126 included in PGE’s Initial Filing.

rates in Schedule 126 and not be subject to the earnings test or deadbands for the annual power cost variance.

- b. Parties agree that the remaining RCE costs not recovered will flow through the existing PCAM.
- c. This mechanism will sunset after 12/31/2025.

11. Workshops to address various topics

- a. Parties agree to hold stakeholder workshops on single-issue ratemaking, automatic adjustment clause (AAC), PCAM, and decoupling.

12. Renewable Automatic Adjustment Clause (RAAC)

- a. Parties agree that PGE agrees to withdraw RAAC “associated storage” proposal within this proceeding.

13. Income Qualified Bill Discount (IQBD) and Low Income Needs Assessment (LINA)

- a. Parties agree that PGE will update its IQBD program as soon as practicable to reflect the discount tiers as proposed within PGE’s surrebuttal.
- b. Parties agree that PGE will complete a LINA study by June 30, 2024.
- c. Parties agree that PGE will submit a new discount program informed by the LINA report within 90 days of receiving the report.

14. Earnings Test on Schedule 153

- a. For settlement purposes, Parties agree that PGE will be subject to an earnings test on the true-up associated with the Community Benefits Impact Advisory Group at PGE’s authorized ROE.

15. Schedule 32 User Information

- a. Parties agree that, under appropriate confidentiality protections, PGE will provide a breakdown of the electricity consumption of the larger Schedule 32 users by Standard Industrial Classification (SIC) or similar industry classification scheme by June 2024.

16. Low Clearance Report

- a. Parties agree that PGE will file its low clearance report no later than May 1 each year unless Staff and PGE agree to an extension.

Stipulating Parties recommend and request that the Commission approve the adjustments and provisions described herein as appropriate and reasonable resolutions of all issues addressed in this Stipulation.

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.

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.

Stipulating Parties have negotiated this Stipulation as an integrated document. The Stipulating Parties seek to obtain Commission approval of this Stipulation no later than December 18. 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.

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. Unless provided otherwise 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.

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 6th day of October, 2023.

PORTLAND GENERAL ELECTRIC
COMPANY

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN
ENERGY CONSUMERS

THE KROGER CO.

WALMART

SMALL BUSINESS UTILITY
ADVOCATES-OREGON

COMMUNITY ACTION PARTNERSHIP
OF OREGON

NRDC/NWEC

PGE Revenue Requirement
2024 GRC Net of WM

Scaled (Thousands)	Revenue	Percent
	Total Increase: 357,656	15.21%

Line No.	Line	Total Results	WM	Total Net of WM
1	Sales to Consumers	2,706,335	32,878	2,673,457
2	Sales for Resale	-	-	-
3	Other Revenues	49,783	-	49,783
4	Total Operating Revenues	2,756,118	32,878	2,723,240
5	Net Variable Power Costs	930,689	-	930,689
6	Production O&M (excludes Trojan)	132,951	-	132,951
7	Trojan O&M	65	-	65
8	Transmission O&M	22,409	1,490	20,919
9	Distribution O&M	209,575	23,338	186,237
10	Customer & MBC O&M	93,822	-	93,822
11	Uncollectibles Expense	10,825	132	10,694
12	OPUC Fees	12,806	156	12,650
13	A&G, Ins/Bene., & Gen. Plant	186,158	-	186,158
14	Total Operating & Maintenance	1,599,301	25,115	1,574,186
15	Depreciation	339,509	2,489	337,020
16	Amortization	82,937	-	82,937
17	Property Tax	90,064	634	89,431
18	Payroll Tax	21,000	-	21,000
19	Other Taxes	12,913	-	12,913
20	Franchise Fees	69,420	843	68,577
21	Utility Income Tax	106,218	766	105,452
22	Total Operating Expenses & Taxes	2,321,363	29,848	2,291,515
23	Utility Operating Income	434,755	3,030	431,725
24	Rate Base			
25	Gross Plant	12,205,925	45,142	12,160,783
26	Accum. Deprec. / Amort	(5,441,034)	(2,896)	(5,438,139)
27	Accum. Def Tax	(699,372)	(172)	(699,200)
28	Accum. Def ITC	-	-	-
29	Net Utility Plant	6,065,518	42,074	6,023,444
30	Misc. Deferred Debits	17,829	-	17,829
31	Operating Materials & Fuel	91,228	-	91,228
32	Misc. Deferred Credits	(55,136)	-	(55,136)
33	Working Cash	98,006	1,260	96,746
34	Rate Base	6,217,446	43,335	6,174,112
35	Rate of Return	6.993%	6.993%	6.993%
36	Implied Return on Equity	9.500%	9.500%	9.500%

37	Effective Cost of Debt	4.485%	4.485%	4.485%
38	Effective Cost of Preferred	0.000%	0.000%	0.000%
39	Debt Share of Cap Structure	50.000%	50.000%	50.000%
40	Preferred Share of Cap Structure	0.000%	0.000%	0.000%
41	Weighted Cost of Debt	2.243%	2.243%	2.243%
42	Weighted Cost of Preferred	0.000%	0.000%	0.000%
43	Equity Share of Cap Structure	50.000%	50.000%	50.000%
44	State Tax Rate	7.562%	7.562%	7.562%
45	Federal Tax Rate	21.000%	21.000%	21.000%
46	Composite Tax Rate	26.974%	26.974%	26.974%
47	Bad Debt Rate	0.400%	0.400%	0.400%
48	Franchise Fee Rate	2.565%	2.565%	2.565%
49	Working Cash Factor	4.222%	4.222%	4.222%
50	Gross-Up Factor	1.369	1.369	1.369
51	ROE Target	9.500%	9.500%	9.500%
52	Grossed-Up COC	8.747%	8.747%	8.747%
53	OPUC Fee Rate	0.473%	0.473%	0.473%
	Utility Income Taxes			
54	Book Revenues	2,756,118	32,878	2,723,240
55	Book Expenses	2,215,145	29,081	2,186,063
56	Interest Deduction	139,426	972	138,454
57	Blank	-	-	-
58	Permanent Ms	(17,632)	(16)	(17,616)
59	Deferred Ms	44,542	1,966	42,576
60	Taxable Income	374,637	874	373,762
61	Current State Tax	28,330	66	28,264
62	State Tax Credits	(10)	-	(10)
63	Net State Taxes	28,320	66	28,254
64	Federal Taxable Income	346,317	808	345,508
65	Current Federal Tax	72,726	170	72,557
66	Federal Tax Credits	-	-	-
67	Excess ADIT Reversal (ARAM)	(8,592)	-	(8,592)
68	Excess COR Reversal	1,749		1,749
69	Deferred Taxes	12,015	530	11,484
70	Total Income Tax Expense	106,218	766	105,452
71	Regulated Net Income	295,329	2,058	293,270
72	Check Regulated NI	295,329	2,058	293,270

**TABLE 1
PORTLAND GENERAL ELECTRIC
ESTIMATED EFFECT ON CONSUMERS' TOTAL ELECTRIC BILLS
2024**

CATEGORY	RATE SCHEDULE	CUSTOMERS	MWH SALES	TOTAL ELECTRIC BILLS		Change		
				CURRENT	PROPOSED	AMOUNT	PCT.	
				w/ Sch. 125, 122, and 146	w/ Sch. 125, 122, and 146			
Residential	7	824,079	7,839,840	\$1,210,078,604	\$1,416,366,150	\$206,287,546	17.0%	
Employee Discount				(\$861,417)	(\$1,005,340)	(\$143,923)		
Subtotal				\$1,209,217,187	\$1,415,360,810	\$206,143,623	17.0%	
Outdoor Area Lighting	15	0	13,185	\$3,685,273	\$4,079,997	\$394,724	10.7%	
General Service <30 kW	32	95,930	1,555,680	\$218,179,702	\$252,636,229	\$34,456,527	15.8%	
Opt. Time-of-Day G.S. >30 kW	38	336	26,908	\$4,054,292	\$4,604,541	\$550,249	13.6%	
Irrig. & Drain. Pump. < 30 kW	47	2,746	20,557	\$4,817,161	\$5,076,851	\$259,690	5.4%	
Irrig. & Drain. Pump. > 30 kW	49	1,368	59,473	\$11,020,689	\$13,036,821	\$2,016,132	18.3%	
General Service 31-200 kW	83	11,308	2,893,468	\$323,314,234	\$366,251,009	\$42,936,775	13.3%	
General Service 201-4,000 kW								
Secondary	85-S	1,322	2,065,692	\$194,204,713	\$219,429,486	\$25,224,773	13.0%	12.8%
Primary	85-P	179	634,079	\$52,492,456	\$58,937,285	\$6,444,830	12.3%	
Schedule 89 > 4 MW								
Primary	89-P	17	858,148	\$65,468,788	\$72,719,931	\$7,251,143	11.1%	
Subtransmission	89-T/75-T	3	35,262	\$3,221,776	\$3,484,665	\$262,890	8.2%	10.9%
Schedule 90	90-P	7	3,551,713	\$247,037,467	\$278,859,780	\$31,822,313	12.9%	
Street & Highway Lighting	91/95	189	37,529	\$12,727,885	\$13,127,871	\$399,986	3.1%	
Traffic Signals	92	16	2,712	\$222,031	\$254,386	\$32,354	14.6%	
COS TOTALS		937,500	19,594,245	\$2,349,663,654	\$2,707,859,664	\$358,196,010	15.2%	
Direct Access Service 201-4,000 kW								
Secondary	485-S	214	434,217	\$8,652,506	\$8,487,598	(\$164,908)	-1.9%	
Primary	485-P	52	312,499	\$5,491,526	\$5,293,447	(\$198,079)	-3.6%	
Direct Access Service > 4 MW								
Primary	489-P	16	1,027,289	\$8,893,128	\$7,510,604	(\$1,382,524)	-15.5%	
Subtransmission	489-T	3	266,763	\$1,553,424	\$1,197,007	(\$356,417)	-22.9%	
New Load Direct Access Service > 10MW								
Primary	689-P	4	175,441	\$2,329,292	\$1,601,949	(\$727,343)	-31.2%	
DIRECT ACCESS TOTALS		288	2,216,210	26,919,876	24,090,605	(\$2,829,272)		
COS AND DA CYCLE TOTALS		937,788	21,810,454	\$2,376,583,530	\$2,731,950,268	\$355,366,738	15.0%	
				\$0	(\$0)			

**Amounts and Percentages do not include wildfire mitigation costs which are moving out of base rates and into Schedule 151