

**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.

**THIRD PARTIAL  
STIPULATION**

This Third 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"), and Walmart, Inc. (“Walmart”), (collectively, the "Stipulating Parties"). Calpine Solutions, Kroger, CAPO, and NRDC did not take a position on the issues resolved by this Stipulation and are not a party to this Stipulation.

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, 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 June 28, 2023 resolving certain issues related to net variable power costs and several other issues in this general rate case. After the June 28, 2023 settlement discussion, Parties met again on July 11, 2023. The Stipulating Parties participated in these settlement discussions, and no other parties participated in the discussion. As

a result of the discussions, the Stipulating Parties have reached a compromise settlement resolving several more issues related primarily to net variable power costs in this docket, as set forth below.

### **TERMS OF THIRD PARTIAL STIPULATION**

1. This Stipulation resolves only the general rate case issues described below.
2. Beaver Cycling
  - a. Parties agree that PGE will reduce the 2024 NVPC forecast by \$3.0 million.
  - b. Parties agree that this stipulation resolves all Beaver capital and depreciation related issues raised by Parties in Docket No. UE 416.
3. Physical Gas Call Option
  - a. For settlement purposes in this docket Parties agree PGE will remove the forecasted costs associated with this contract from the 2024 NVPC forecast. Parties agree that PGE will not include the cost of the option even if PGE executes a physical gas call option for 2024. The removal of the forecasted cost representative of this contract from this AUT cycle is not precedential as to prudence of these types of agreements and PGE reserves the right to propose to include this type of agreement in future proceedings.
4. Reliability Contingency Events (RCE)
  - a. For settlement purposes in this docket, Parties agree to reduce the RCE cost included in the 2024 NVPC forecast by \$1.6 million.
  - b. Parties agree that PGE will investigate the wind generation assumptions used in the RCE modeling and propose changes in the 2025 NVPC forecast, if PGE identifies that changes are warranted.

5. Washington Climate Commitment Act (CCA) Carbon Compliance Costs
  - a. Parties agree that PGE will remove the estimated carbon compliance costs associated with the Washington CCA from the 2024 NVPC forecast.
  - b. Parties agree that PGE will submit, and Parties will not oppose, a deferral application under ORS 757.259(2)(e) to defer 2024 carbon compliance costs associated with the Washington CCA.
  - c. Parties agree that if PGE seeks to amortize any deferred amounts under ORS 757.259(5), it will request amortization through Schedule 125.
  - d. Although Parties agree to support PGE's deferral of Washington CCA costs, this agreement does not mean the Parties will necessarily support the amortization of those costs. Parties reserve the right to challenge the amortization of the costs and raise issues when PGE requests amortization of deferred amounts.
6. Washington CCA – Specified Source, Non-Emitting Sales
  - a. Parties agree to resolve the issue with no adjustment to the 2024 NVPC forecast
7. 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.
8. 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.
9. 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.

10. Stipulating Parties have negotiated this Stipulation as an integrated document. The Stipulating Parties seek to obtain Commission approval of this Stipulation after initial briefs were filed but prior to evidentiary hearings. 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.
11. 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.

12. 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 11th day of July, 2023.

/s/ Brett Sims

PORTLAND GENERAL ELECTRIC COMPANY

/s/ Stephanie S. 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