ITEM NO. CA1

PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: April 16, 2024

REGULAR CONSENT X EFFECTIVE DATE April 17, 2023

- **DATE:** April 10, 2024
- **TO:** Public Utility Commission
- **FROM:** Bret Stevens
- THROUGH: Bryan Conway and Russ Beitzel SIGNED
- SUBJECT: <u>PORTLAND GENERAL ELECTRIC</u>: (Docket No. ADV 1601/Advice No. 24-07) IBEW Local 125 Labor Rate Update.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Portland General Electric Company's (PGE or Company) filing of IBEW Local 125 Labor Rate Update associated with tariff P.U.C. No. 18, effective for service rendered on and after April 17, 2024.

DISCUSSION:

lssue

Whether the Commission should approve PGE's request to update selected Luminaire Schedules affected by PGE's increased labor rates as a result of the Company's Collective Bargaining Agreement (CBA) with the International Brotherhood of Electrical Workers (IBEW), Local Union No. 125 (Agreement).

Applicable 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 Docket No. ADV 1601/Advice No. 24-07 April 10, 2024 Page 2

performed by any public utility controlled or operated by it. The Commission may approve tariff changes if they are deemed 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. 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.

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. Tariff filings to be effective on less than 30 days following notice of the change may be authorized with a waiver of less than statutory notice pursuant to ORS 757.220 and OAR 860-022-0020.

OAR 860-022-0030(1) further requires that for tariff or schedule filings proposing increased rates, the utility must for each separate schedule:

- Identify the total number of customers affected;
- Identify the total annual revenue derived under the existing schedule and the amount of estimated revenue which will be derived from applying the proposed schedule;
- Provide 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
- Outline the reasons or grounds relied upon in support of the proposed increase.

<u>Analysis</u>

On March 7, 2024, PGE submitted its Advice Filing No. 24-07. In this filing, PGE proposed to increase rates to reflect updated labor and loadings, with a requested effective date of April 17, 2024. These updated rates would affect the following tariff sheets associated with Tariff P.U.C. No. 18: Sheet No. 91-8, Sheet No. 95-7, Sheet No. 300-1, Sheet No. 491-8, Sheet No. 495-7, Sheet No. 591-7, and Sheet No. 595-5.

This filing requests a labor rate update that includes a \$9 increase per hour to PGE's Straight Time Labor Rate and a \$14 increase per hour in PGE's Overtime Labor Rate

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for crews to replace non-repairable luminaires not owned by PGE. The labor rate update also increases the billing rate for "Other than crew hours" (trouble calls) by \$10 per hour.

Service Type	Current Rate \$/hour	Proposed Rate \$/hour	Change in Rate \$/hour
Straight Time for non-PGE luminaires	\$132	\$141	+\$9
Overtime for non- PGE luminaires	\$170	\$184	+\$14
Trouble Calls	\$270	\$280	+\$10

Table 1: Proposed Labor Rate Changes

These price increases are related to scheduled wage increases in PGE's 2022-2025 CBA. There were also changes to the loadings that contribute to the labor rates listed in Table 1. Payroll, tool, and transportation loadings increased while DOSE loadings effectively stayed the same. The average labor rate per crew also increased.

PGE lighting labor rates apply to municipalities and state and federal agencies that have PGE street-lighting service or use. Specifically, the labor rates apply to the charges for replacement of luminaires owned by customers. PGE has approximately 138 customers on the above listed street-lighting schedules. The revenue from this change depends on the number of replacements each year and the number of trouble calls that require after-hours crews.

Conclusion

Staff finds the Company has met the requirements of statute and administrative rule. Staff also submitted clarification requests for information e-mail and reviewed PGE's responses to those requests. Staff has verified that the rates in the Company's filing are consistent with the rates in Article 21 of the CBA.

The Company has reviewed this memo and agrees with its contents.

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PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 24-07, IBEW Local 125 Labor Rate Update, effective for service rendered on and after April 17, 2024.

PGE ADV 1601 / Advice No. 24-07 IBEW Labor Rate Update