BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE 394

In The Matter Of : OPENING BRIEF OF

PORTLAND GENERAL ELECTRIC COMPANY : FRED MEYER STORES, INC. AND

QUALITY FOOD CENTERS, DIVISIONS

Request for a General Rate Revision : OF

THE KROGER CO

Pursuant to the Administrative Law Judge's Ruling, Fred Meyer Stores, Inc. and Quality Food Centers, Divisions of The Kroger Co. ("Kroger"), hereby submits its Opening Brief.

1. Kroger Supports The Four Partial Stipulations Filed In This Proceeding.

PGE filed four separate Partial Stipulations in this proceeding generally addressing cost of capital, revenue requirement and cost of service issues.¹ Each of these Stipulations were a product of serious bargaining between competent and informed parties. Kroger has signed and supports each of the four Partial Stipulations and recommends approval.

The Fourth Partial Stipulation specifically resolved the issues that Kroger addressed through the testimony of its witness, Justin Bieber. That testimony expressed concerns about the treatment of direct access customers in PGE's proposed Customer Impact Offset ("CIO") proposals. In Opening Testimony, Mr. Bieber recommended modifications to the CIO and system usage charge rate design for Schedules 85/485 that were designed to mitigate the disproportionate impacts between bundled and direct access customers on Schedules 85/485 resulting from the CIO. In Rebuttal Testimony, Mr. Bieber slightly modified his proposal to account for changes in circumstances as a result of the submission of the Third Partial Stipulation.

• Partial Stipulation filed on September 30, 2021.

• Second Partial Stipulation filed on December 2, 2021.

• Third Partial Stipulation filed on January 18, 2022.

• Fourth Partial Stipulation filed on, or about, February 7, 2022.

After several rounds of settlement negotiations, the parties agreed on CIO and rate design terms that all parties, including Kroger, either support or do not oppose. The Fourth Partial Stipulation strikes a reasonable balance between the interests all customer classes and reflects the concessions made by CIOreceiving and CIO-paying rate schedules. Given the cost-of-service and ratepayer impact justifications for the rate design recommended in the Fourth Partial Stipulation, and the fact that no party to this proceeding opposes it, Kroger respectfully requests that the Commission approve the Fourth Partial Stipulation.

Respectfully submitted,

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QUALITY FOOD CENTERS, DIVISIONS OF THE KROGER CO. February 22, 2022