



Portland General Electric
121 SW Salmon Street · Portland, Ore. 97204

November 17, 2023

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: Advice No. 23-35, Schedule 131 Oregon Corporate Activity Tax Recovery

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210, and Oregon Administrative Rule (OAR) 860-022-0025 for filing a proposed tariff sheet associated with Tariff P.U.C. No. 18, with a requested effective date of **January 1, 2024**:

Third Revision of Sheet No. 131-1

The purpose of this filing is to update Schedule 131, Oregon Corporate Activity Tax Recovery. The purpose of the schedule was to recover from Customers the Oregon Corporate Activity Tax (OCAT) paid by the Company for “commercial activity” in accordance with House Bill 3427. Schedule 131 prices are applied on a percentage basis of customers’ bills, similar to PGE Schedule 106 Multnomah County Business Income Tax for customers in Multnomah County.

In accordance with the Second Partial Stipulation of UE 394 adopted in Commission Order No. 22-129, OCAT is recovered through base rates rather than Schedule 131 effective May 9, 2022. Implementation of the agreement was omitted in PGE’s initial compliance filing Advice No. 22-08 on April 29, 2022. PGE corrected this oversight and updated Schedule 131 recovery to zero in the Fifth Supplemental Filing of Advice No. 22-08 on July 27, 2022. In the Fifth Supplemental Filing the Company estimated that it over collected approximately \$1.4 million through Schedule 131 and it would refund to customers the residual balance after the actual 2022 OCAT amount is recorded and the final amount remaining in the balancing account is known.

PGE’s total OCAT tax liability for 2022 was \$8.4 million. The prorated OCAT tax liability recovered through Schedule 131 up to May 8, 2023, is \$2.8 million. PGE has determined the refund due to customers is \$3.6 million due to the overcollection referenced above and the credit balance of \$853 thousand at the end of 2021 in the balancing account.

To satisfy the requirements of OAR 860-022-0025(2), PGE provides the following responses:

The proposed Schedule 131 rate change will result in an 0.1% overall rate decrease for approximately 940,000 Customers. A typical Schedule 7 Residential Customer consuming 795 kWh monthly will see a bill decrease of approximately \$0.15 or 0.1%.

Enclosed are the work papers detailing the Schedule 131 rate development and the balancing account detail.

Please direct any questions regarding this filing to Chris Pleasant at christopher.pleasant@pgn.com Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing & Tariffs

Enclosure(s)

PGE Advice No. 23-35
Work Papers

Provided in electronic format and password protected

**SCHEDULE 131
OREGON CORPORATE ACTIVITY TAX RECOVERY**

PURPOSE

To recover from Customers the Oregon Corporate Activity Tax (CAT) paid by the Company for “commercial activity” in accordance with House Bill 3427 and to establish an associated Automatic Adjustment Clause and balancing account.

APPLICABLE

To all bills for Electricity Service.

BALANCING ACCOUNT

A CAT Balancing Account will be maintained to accrue any difference between the Company’s actual commercial activity tax liability and the amount collected from Customers under this Schedule. Any over or under-collection reflected in this account will be considered when the CAT Rate is established. The Balancing Account will accrue interest at the Commission-authorized rate for deferred accounts.

CAT RECOVERY RATE DETERMINATION

The CAT Recovery Rate is determined by dividing the sum of forecast commercial activity tax liability plus or minus any amount in the Balancing Account divided by forecast Retail Revenue from Customers for each tax year or other applicable recovery period. Forecast Retail Revenue excludes Schedule 102, Schedule 108, Schedule 109, and Schedule 115, and all other separately stated taxes.

CAT RECOVERY RATE

The CAT Recovery Rate is:

(0.122)% of the total billed amount to the Customer excluding the RPA Credit (Schedule 102), Public Purpose Charge (Schedule 108), Energy Efficiency Funding Adjustment (Schedule 109), Low Income Assistance Charge (Schedule 115) and all other separately stated taxes.

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SPECIAL CONDITIONS

1. Actual commercial activity tax liability is subject to audit. Any adjustments to the commercial activity tax liability will be included in the balancing account.