



Portland General Electric
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February 7, 2023

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

**RE: Second Supplemental Filing of Advice No. 22-36, NEW Schedule 153,
Community Benefits and Impact Advisory Group Cost Recovery Mechanism**

Portland General Electric Company (PGE) submits this supplemental filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210 and Oregon Administrative Rule (OARs) 860-022-0025 and 860-022-0030 for filing proposed tariff sheets associated with Tariff P.U.C. No. 18. PGE initially filed Advice No. 22-36 on November 15, 2022, with a requested effective date of January 1, 2023. PGE then submitted a Supplemental Filing on December 20, 2022, extending the requested effective date from January 1, 2023, to March 1, 2023 to allow Staff more time to review and provide additional cost detail.

PGE is submitting this Second Supplemental Filing providing additional narrative describing how the Schedule 153 funds will be used and update the amount to be collected from customers. PGE updated the actual and budgeted expenditures that were included in the initial filing because 2022 expenses were lower than anticipated due to timing and 2023 forecasted expenses were updated to reflect 9 months of participation rather than 12 months due to updated CBIAG formation timing. In addition, extending the requested effective date from to March 1, 2023, to March 10, 2023.

Enclosed are the following replacement sheets.

Original Sheet No. 153-1
Original Sheet No. 153-2
Original Sheet No. 153-3

All other sheets remain as previously filed.

House Bill 2021 Section 6(1) directed electric utilities that file a clean energy plan to convene a Community Benefits and Impacts Advisory Group (CBIAG) and to develop a biennial report in consultation with the CBIAG. This schedule is being created to recover the costs associated with the CBIAG.

PGE expects the CBIAG to be an enduring body that can advise PGE on matters as authorized in ORS 469A.425(2)(b), including contributing to the development of future engagement plans, implementation of planning activities, and review of community outcomes. This schedule is an automatic adjustment clause subject to ORS 757.210.

PGE's estimate of incremental expenses directly associated with CBIAG convening and reporting as addressed by ORS 469A.425(3) is based on a detailed budgeting process. While the CBIAG will be an enduring advisory body, PGE's cost recovery focuses on 2022 actual activities and a forecast of 2023 activities and expenses.

In developing the budget, PGE sought input from community organizations, individuals, and OPUC Staff and benchmarked among peer utilities and public agencies that have established similar groups. This input informed PGE's approach to reducing barriers to participation for members of the CBIAG. This assessment informed a budget based on four primary cost categories, each developed using market rates and average costs:

- Facilitation costs
- Compensation for participants
- Accommodations for participants
- Meeting hosting costs

Central to the feedback received, and in line with best practices in community engagement, was the significant role that a third-party facilitator can play in establishing space for participants to feel comfortable sharing and ensuring that utility-provided content is accessible and relevant to CBIAG members with varying degrees of energy and utility knowledge. PGE released an open Request for Proposal (RFP) in December for a long-term CBIAG third-party facilitator. In selecting the third-party facilitator, we will prioritize those who are culturally competent, comfortable working at the intersection of racial equity and environmental justice and experienced in creating and maintaining space within co-created parameters. The third-party facilitator will serve as a bridge between PGE and the CBIAG and will work to balance divergent needs and interests productively.

The 2022 budget incorporated in the cost recovery for Schedule 153 includes an interim third-party facilitator for PGE's "Ad Hoc Committee" phase, in which PGE sought guidance on CBIAG formation from a group of individuals that represent and/or serve environmental justice communities and are somewhat familiar with OPUC processes, utility engagement, and HB 2021. This group was convened two times from December 2022 to January 2023; the facilitator will be advising PGE on outreach and recruitment for the inaugural CBIAG and providing a report with recommendations for commencing and maintaining the CBIAG. The 2022 expenses, which carry into the first quarter of 2023, include facilitator fees and a stipend to Ad Hoc Committee participants for their time and expertise.

The estimated 2023 expenses are based on 15-20 members of PGE's CBIAG meeting for 6 hours per month, including regular committee meetings and subcommittee meetings. While not yet formally scoped, PGE anticipates that one or more subcommittees will be necessary to augment the full CBIAG's work and allow additional focus on topics which warrant additional time via a working group format. From these assumptions, PGE extrapolated the total cost for 2023 based on these meeting cadence and membership assumptions.

In recognition of the valuable perspectives provided by CBIAG members and as anticipated by ORS 469A.425(3), PGE has budgeted for hourly stipends for members' time given at a rate consistent with typical rates for professional contract services across other business purposes.

Informed by the review of best practices for engaging a community advisory group described above, the budget includes stipends for time, as well as provisions needed to allow for meaningful participation of members, such as technology or translation services. When there are in-person meetings, there will be the typical costs, like mileage reimbursement, as well as those for the services of a third-party facilitator and a tracking and reporting contractor.

PGE acknowledges that the CBIAG is still in the process of formation, and important details will be considered by the group itself once it is formed. However, since Schedule 153 is an Automatic Adjustment Clause, should actual 2023 expenses be lower than forecasted, the price for 2024 would be offset by any amount that was over-collected from customers in 2023, minimizing the risk to customers of overpaying for the CBIAG. As such, this tariff should be approved in its submitted state.

The revised amortization and recovery of the CBIAG expenses through Schedule 153 prices result in an approximate \$0.5 million or 0.02% overall average rate increase for the 931,000 (2023 forecasted average) applicable Cost-of Service Customers. A typical Schedule 7 Residential Customer consuming 780 kWh monthly will see a \$0.02 or 0.02% increase in their monthly bill as a result of this filing, inclusive of the Public Purpose Charge.

The enclosed work papers include support for the proposed Schedule 153 prices, the projected applicable billing determinants, and the projected balancing account activity.

Please direct any questions regarding this filing to Casey Manley at casey.manley@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 and Tariffs

Enclosure(s)

PGE Second Supplemental of Advice No. 22-36
Work Papers
Provided in electronic format and password protected

**SCHEDULE 153
COMMUNITY BENEFITS AND IMPACT ADVISORY GROUP
COST RECOVERY MECHANISM**

PURPOSE

This Schedule recovers the costs associated with the Community Benefits and Impact Advisory Group (CBAIG) not otherwise included in rates. This adjustment schedule is implemented as an “automatic adjustment clause” as provided for under ORS 757.210.

AVAILABLE

In all territory served by the Company.

APPLICABLE

To all bills for Electricity Service except Schedules 76R and 576R.

ADJUSTMENT RATES

The Adjustment Rates, applicable for service on and after the effective date of this schedule will be:

<u>Schedule</u>	<u>Adjustment Rate</u>	
7	0.003	¢ per kWh
15	0.003	¢ per kWh
32	0.003	¢ per kWh
38	0.003	¢ per kWh
47	0.005	¢ per kWh
49	0.004	¢ per kWh
75		
Secondary	0.003	¢ per kWh ⁽¹⁾
Primary	0.002	¢ per kWh ⁽¹⁾
Subtransmission	0.002	¢ per kWh ⁽¹⁾
83	0.002	¢ per kWh
85		
Secondary	0.002	¢ per kWh
Primary	0.002	¢ per kWh

(1) Applicable only to the Baseline and Scheduled Maintenance Energy.

SCHEDULE 153 (Continued)

ADJUSTMENT RATES (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>	
89		
Secondary	0.003	¢ per kWh
Primary	0.002	¢ per kWh
Subtransmission	0.002	¢ per kWh
90		
Primary	0.002	¢ per kWh
Subtransmission	0.002	¢ per kWh
91	0.003	¢ per kWh
92	0.002	¢ per kWh
95	0.003	¢ per kWh
485		
Secondary	0.002	¢ per kWh
Primary	0.002	¢ per kWh
489		
Secondary	0.003	¢ per kWh
Primary	0.002	¢ per kWh
Subtransmission	0.002	¢ per kWh
490		
Primary	0.002	¢ per kWh
Subtransmission	0.002	¢ per kWh
491	0.003	¢ per kWh
492	0.002	¢ per kWh
495	0.003	¢ per kWh
515	0.003	¢ per kWh
532	0.003	¢ per kWh
538	0.003	¢ per kWh
549	0.004	¢ per kWh
575		
Secondary	0.003	¢ per kWh ⁽¹⁾
Primary	0.002	¢ per kWh ⁽¹⁾
Subtransmission	0.002	¢ per kWh ⁽¹⁾

(1) Applicable only to the Baseline and Scheduled Maintenance Energy.

SCHEDULE 153 (Concluded)

ADJUSTMENT RATES (Continued)

583	0.002	¢ per kWh
585		
Secondary	0.002	¢ per kWh
Primary	0.002	¢ per kWh
589		
Secondary	0.003	¢ per kWh
Primary	0.002	¢ per kWh
Subtransmission	0.002	¢ per kWh
590		
Primary	0.002	¢ per kWh
Subtransmission	0.002	¢ per kWh
591	0.003	¢ per kWh
592	0.002	¢ per kWh
595	0.003	¢ per kWh
689		
Secondary	0.003	¢ per kWh
Primary	0.002	¢ per kWh
Subtransmission	0.002	¢ per kWh

BALANCING ACCOUNT

The Company will maintain a balancing account to accrue differences between the incremental costs associated with the Community Benefits and Impact Advisory Group and the revenues collected under this schedule. This balancing account will accrue interest at the Commission-authorized rate for deferred accounts.

DEFERRAL MECHANISM

Each year the Company may file a deferral request. The deferral will be amortized over one year in this schedule unless otherwise directed by the Oregon Public Utility Commission.