



Oregon

Kate Brown, Governor

Public Utility Commission

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December 28, 2021



BY EMAIL

Portland General Electric Company

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RE: Advice No. 21-26

At the public meeting on December 28, 2021, the Commission adopted Staff's recommendation in this matter docketed as ADV 1325. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 28, 2021**

REGULAR CONSENT EFFECTIVE DATE January 1, 2022

DATE: December 20, 2021

TO: Public Utility Commission

FROM: Moya Enright

THROUGH: Bryan Conway, John Crider, and Matt Muldoon **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1325/Advice No. 21-26)
Schedule 150 Transportation Electrification Cost Recovery Mechanism.

STAFF RECOMMENDATION:

Approve Portland General Electric Company's (PGE or Company) Advice No. 21-26, Schedule 150 (Transportation Electrification Cost Recovery Mechanism), for service rendered on and after January 1, 2022.

DISCUSSION:

Issue

Whether the Commission should approve Advice No. 21-26, PGE's request to update its Schedule 150 (Transportation Electrification Cost Recovery Mechanism) in accordance with House Bill (HB) 2165.

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 performed by any public utility controlled or operated by it.

The Commission may approve tariff changes if they are deemed to be 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, the total annual revenue derived under the existing schedule, and the amount of estimated revenue which will be derived from applying the proposed schedule, 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 the reasons or grounds relied upon in support of the proposed increase.

ORS 757.357 was amended by HB 2165 to require Portland General Electric and Pacific Power to implement a monthly meter charge equal to 0.25 percent of total revenues as a dedicated funding source for TE investments. Fifty percent of that funding must be spent on "underserved communities." HB 2165 will go into effect on January 1, 2022.

Analysis

Background

HB 2165 amended ORS 757.357 to direct Oregon's two largest investor-owned electric utilities (Portland General Electric and Pacific Power) to collect a charge from all retail electricity consumers served through the Companies' distribution systems. HB 2165 goes into effect on January 1, 2022, and extends this measure until January 2, 2031.

This charge was deemed applicable regardless of whether the consumer purchases the electricity from the electric utility or from another supplier.

Funds collected are required to be spent by the electric utility to support and integrate Transportation Electrification (TE). These funds are a minimum investment in TE, and do not limit the amount that may otherwise be collected by an electric company in rates to recover the costs of prudently incurred investments to support transportation electrification.

The charge to be collected from customers must equal one quarter of one percent of the total revenues collected by the electric utility from all retail electricity consumers. The utility is directed to make reasonable efforts to spend not less than one-half of the amount collected each year to support transportation electrification in underserved communities.

Staff Analysis of Filing

The TE charges for PGE that under consideration are expected to total \$5.15 million in 2022,¹ and will affect 918,600 Cost of Service customers. A typical Schedule 7 Customer consuming 800 kWh monthly will see a bill increase of \$0.27, or 0.25 percent.²

PGE first filed Schedule 150 to recover costs relating to TE pilots in its July 2021 General Rate Case (GRC) Docket No. UE 394. This filing does not change the Schedule 150 in the GRC and is not intended to recover costs relating to existing TE deferrals. Should the GRC proposal for Schedule 150 be approved by the Commission in 2022, PGE will combine the two versions of Schedule 150 into one tariff with two parts: one consistent with HB 2165, and the other to collect deferred amounts relating to TE pilots.³

PGE has also included additional minor edits to their tariff with this filing, representing housekeeping changes to the Table of Contents. This change adds Schedule 150 Transportation Electrification Cost Recovery Mechanism to Sheet No. 1-3; Schedule 56 Fleet Electrification Make Ready Pilot to Sheet No. 1-1;⁴ and Schedule 103 Metro Supportive Housing Services Business Income Tax to Sheet No. 1-2.⁵ Schedule 100 is also edited to add Schedule 150 and Schedule 103. These are minor changes which were inadvertently not included with their respective advice filings.

¹ PGE Advice No. 21-26, workpapers.

² PGE Advice No. 21-26, page 2.

³ PGE Advice No. 21-26, page 1.

⁴ Approved in Docket No. ADV 1261 (Advice No. 21-09), effective July 1, 2021.

⁵ Approved in Docket No. ADV 1250 (Advice No. 21-05), effective April 1, 2021.

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Through Staff's review of this filing and associated work papers, and through Staff's discussions with PGE, Staff finds that the updated rates in Schedule 150 are correctly calculated in accordance with HB 2165.

Conclusion

For the reasons stated above, Staff recommends that the Commission approve PGE's Advice No. 21-26 for service rendered on and after January 1, 2022.

PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 21-26, Schedule 150 (Transportation Electrification Cost Recovery Mechanism), for service rendered on and after January 1, 2022.

**SCHEDULE 100
SUMMARY OF APPLICABLE ADJUSTMENTS**

The following summarizes the applicability of the Company's adjustment schedules.

Schs.	102 ⁽¹⁾	103 ⁽³⁾	105	106 ⁽¹⁾	108 ⁽³⁾	109 ⁽¹⁾	110 ⁽¹⁾	112	115	122	123 ⁽¹⁾	125 ⁽¹⁾	126	128 ⁽⁴⁾	129 ⁽¹⁾
7	x	x	x	x	x	x	x	x	x	x	x	x	x		
15	x	x	x	x	x	x	x	x	x	x	x	x	x		
32	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
38	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
47	x	x	x	x	x	x	x	x	x	x	x	x	x		
49	x	x	x	x	x	x	x	x	x	x	x	x	x		
75	x ⁽²⁾	x	x ⁽²⁾	x	x	x ⁽²⁾	x ⁽²⁾	x	x	x ⁽²⁾	x	x ⁽²⁾	x ⁽²⁾	x	
76	x	x		x	x			x	x						
83	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
85	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
89	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
90	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
91		x	x	x	x	x	x	x	x	x	x	x	x	x	
92		x	x	x	x	x	x	x	x	x	x	x	x		
95		x	x	x	x	x	x	x	x	x	x	x	x	x	
485	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾		x
489	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾		x
490	x	x	x	x	x	x	x	x	x		x		x		x
491		x	x	x	x	x	x	x	x		x		x		x
492		x	x	x	x	x	x	x	x		x		x		x
495		x	x	x	x	x	x	x	x		x		x		x
515	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
532	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
538	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
549	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
575	x ⁽²⁾	x	x ⁽²⁾	x	x	x	x	x	x		x		x ⁽²⁾	x	
576	x	x		x	x			x	x						
583	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
585	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
589	x	x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
590	x	x	x	x	x	x	x	x	x		x		x	x	
591		x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
592		x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
595		x	x	x	x	x	x	x	x		x		x ⁽⁵⁾	x	
689	x	x	x	x	x	x	x	x	x		x				

(N)

(N)

1. Where applicable.
2. These adjustments are applicable only to the Baseline and Scheduled Maintenance Energy.
3. Schedule 108 applies to the sum of all charges less taxes, Schedule 109 and 115 charges and one-time charges such as deposits.
4. Applicable to Nonresidential Customer who receive service at Daily pricing (other than Cost of Service) or Direct Access (excluding service on Schedules 485, 489, 490, 491, 492 and 495).
5. Not applicable to Customers where service was received for the entire calendar year that the Annual Power Cost Variance accrued.

SCHEDULE 100 (Concluded)

SUMMARY OF APPLICABLE ADJUSTMENTS (Continued)

Schs.	131	132	134	135	136	137	139	142	143	145	146	149	150
7	x	x	x	x	x	x		x	x	x	x	x	x
15	x	x	x	x	x	x		x	x	x	x	x	x
32	x	x	x	x	x	x		x	x	x	x	x	x
38	x	x	x	x	x	x		x	x	x	x	x	x
47	x	x	x	x	x	x		x	x	x	x	x	x
49	x	x	x	x	x	x		x	x	x	x	x	x
75	x	x	x	x	x	x		x	x	x	x	x	x
76	x	x	x					x				x	
83	x	x	x	x	x	x		x	x	x	x	x	x
85	x	x	x	x	x	x		x	x	x	x	x	x
89	x	x	x	x	x	x		x	x	x	x	x	x
90	x	x	x	x	x	x		x	x	x	x	x	x
91	x	x	x	x	x	x		x	x	x	x	x	x
92	x	x	x	x	x	x		x	x	x	x	x	x
95	x	x	x	x	x	x		x	x	x	x	x	x
485	x	x	x					x	x			x	x
489	x	x	x					x	x			x	x
490	x	x	x					x	x			x	x
491	x	x	x					x	x			x	x
492	x	x	x					x	x			x	x
495	x	x	x					x	x			x	x
515	x	x	x	x	x	x		x	x	x	x	x	x
532	x	x	x	x	x	x		x	x	x	x	x	x
538	x	x	x	x	x	x		x	x	x	x	x	x
549	x	x	x	x	x	x		x	x	x	x	x	x
575	x	x	x	x	x	x		x	x	x	x	x	x
576	x	x	x					x				x	
583	x	x	x	x	x	x		x	x	x	x	x	x
585	x	x	x	x	x	x		x	x	x	x	x	x
589	x	x	x	x	x	x		x	x	x	x	x	x
590	x	x	x	x	x	x		x	x	x	x	x	x
591	x	x	x	x	x	x		x	x	x	x	x	x
592	x	x	x	x	x	x		x	x	x	x	x	x
595	x	x	x	x	x	x		x	x	x	x	x	x
689	x		x				x	x	x			x	x

(N)

(N)

1. Where applicable.
2. These adjustments are applicable only to the Baseline and Scheduled Maintenance Energy.
3. Schedule 108 applies to the sum of all charges less taxes, Schedule 109 and 115 charges and one-time charges such as deposits.
4. Applicable to Nonresidential Customer who receive service at Daily pricing (other than Cost of Service) or Direct Access (excluding service on Schedules 485, 489, 490, 491, 492 and 495).
5. Not applicable to Customers where service was received for the entire calendar year that the Annual Power Cost Variance accrued.

**SCHEDULE 150
TRANSPORTATION ELECTRIFICATION COST RECOVERY MECHANISM**

PURPOSE

This Schedule collects a charge to support transportation electrification in accordance with Section 2(2) of House Bill 2165. Expenditure of the revenue collected under this schedule will be made pursuant to ORS 757.357.

AVAILABLE

In all territory served by the Company.

APPLICABLE

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

ADJUSTMENT RATE

<u>Schedule</u>	<u>Adjustment Rate</u>	
7	0.032	¢ per kWh
15/515	0.053	¢ per kWh
32/532	0.029	¢ per kWh
38/538	0.033	¢ per kWh
47	0.049	¢ per kWh
49/549	0.036	¢ per kWh
75/575		
Secondary	0.016	¢ per kWh
Primary	0.016	¢ per kWh
Subtransmission	0.020	¢ per kWh
83/583	0.024	¢ per kWh
85/585		
Secondary	0.021	¢ per kWh
Primary	0.020	¢ per kWh
89/589		
Secondary	0.016	¢ per kWh
Primary	0.016	¢ per kWh
Subtransmission	0.020	¢ per kWh

SCHEDULE 150 (Concluded)

ADJUSTMENT RATE (Continued)

<u>Schedule</u>	<u>Adjustment Rate</u>	
90/490/590	0.015	¢ per kWh
91/491/591	0.053	¢ per kWh
92/492/592	0.021	¢ per kWh
95/495/595	0.053	¢ per kWh
485		
Secondary	0.021	¢ per kWh
Primary	0.020	¢ per kWh
489		
Secondary	0.016	¢ per kWh
Primary	0.016	¢ per kWh
Subtransmission	0.020	¢ per kWh
689		
Secondary	0.016	¢ per kWh
Primary	0.016	¢ per kWh
Subtransmission	0.020	¢ per kWh

SPECIAL CONDITIONS

1. The adjustment rate of the transportation electrification charges will be updated every year. The forecasted total retail revenue will be based on the rates in effect on January 1 of each year.
2. The adjustment rates will be created for each schedule using applicable schedule's forecasted energy on the basis of an equal percent of revenue applied on a cents per kWh basis to each applicable rate schedule, with long-term opt out and new load direct access customers priced at the equivalent cost of service rate schedule.

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