



Oregon

Kate Brown, Governor

Public Utility Commission

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December 13, 2022



BY EMAIL

Portland General Electric Company

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RE: Advice No. 22-25

At the public meeting on December 13, 2022, the Commission adopted Staff's recommendation in this matter docketed as ADV 1438. 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 13, 2022**

REGULAR **CONSENT** **EFFECTIVE DATE** January 1, 2023

DATE: November 22, 2022

TO: Public Utility Commission

FROM: Julie Jent

THROUGH: Bryan Conway, Marc Hellman, and Matt Muldoon **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1438/Advice No. 22-25)
Updates Schedule 134, Gresham Retroactive Privilege Tax Payment Adjustment.

STAFF RECOMMENDATION:

Staff recommends that the Public Utility Commission of Oregon (Commission) approve Portland General Electric's (PGE or Company) Advice No. 22-25, which updates Schedule 134 to adjust the Gresham Retroactive Privilege Tax Payment Adjustment rate to zero, effective for service rendered on and after January 1, 2023.

DISCUSSION:

Issue

Whether the Commission should approve PGE's Advice No. 22-25, which updates Schedule 134, making the adjustment rate zero for approximately 48,500 City of Gresham customers since the balance is projected to be fully collected at the end of 2022.

Applicable Law

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. 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. See ORS 757.220; OAR 860-022-0020. The Commission may allow changes on less than 30 days' notice for good cause shown. ORS 757.220.

Analysis

Background

PGE initially filed Schedule 134 in Advice No. 17-05 on February 24, 2017, in UE 324. The purpose of the filing was to recover from ratepayers approximately \$7 million in privilege taxes it was required to pay the City of Gresham following an Oregon Supreme Court decision in 2016. The Commission decided there were no legal issues precluding PGE's recovery of the amounts in Order No. 17-482.

Schedule 134 ultimately became effective on February 1, 2018. Order No. 18-023.

On October 26, 2022, PGE filed Advice No. 22-25 updating Schedule 134, Gresham Retroactive Privilege Tax Payment adjustment charge to zero, effective January 1, 2023. The Company included work papers that show PGE will have fully collected from ratepayers the amount of privilege tax paid to the City of Gresham after the Oregon Supreme Court decision in 2016 by the end of 2022. PGE subsequently revised its work papers to correct a minor error in the calculation of interest identified by Staff.

Staff Analysis

Staff has reviewed the Company's filing and associated workpapers, including the supplemental filing on November 17. Staff finds that the proposed revision to Schedule 134 impacts approximately 48,500 City of Gresham Customers. A typical Schedule 7 Residential customer in the City of Gresham consuming 780 kWh monthly will see an overall bill decrease of \$.023, or 0.2 percent. Other than the oversight in the initial filing, Staff found no errors in the calculations for the balancing account, revenue requirement, rate design workpapers, or proposed tariff sheets.

Conclusion

Staff finds that PGE's Advice No. 22-25 filing and associated workpapers comply with the terms of the stipulation adopted in Commission Order No. 18-023. Staff recommends that the Commission approve the Company's Advice No. 22-25, which updates Schedule 134 by adjusting the rate to zero.

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

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PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 22-25, Schedule 134, setting the Gresham Retroactive Privilege Tax Payment Adjustment rate to zero, effective for service rendered on and after January 1, 2023.

PGE ADV 1438 Advice No. 22-25 Gresham Retroactive Privilege Tax Payment Adjustment

**SCHEDULE 134
GRESHAM RETROACTIVE PRIVILEGE TAX PAYMENT ADJUSTMENT**

PURPOSE

To recover from Customers in the City of Gresham the privilege taxes and court-ordered, associated interest amounts assessed retroactively by the City of Gresham following an Oregon Supreme Court decision in 2016.

APPLICABLE

All Customers receiving Electricity Service within the City of Gresham.

BALANCING ACCOUNT

The Company will establish a Balancing Account to record the difference between amounts collected under this schedule, net of uncollectible accounts and amounts authorized to be recovered. This Balancing Account will accrue interest at the Commission-authorized rate for deferred accounts. The disposition of any over- or under-recovery amount will be subject to Commission approval.

GRESHAM PRIVILEGE TAX SETTLEMENT RECOVERY RATE

The Rate is:

0.0% of the total billed amount to the Customer excluding the Public Purpose Charge (Schedule 108), Energy Efficiency Funding Adjustment (Schedule 109), Low Income Assistance Charge (Schedule 115) and all other separately stated taxes. Certain Large Nonresidential Customers with existing limitations on privilege tax obligations will be billed in accordance with these existing limitations.

(C)