ORDER NO. 23-476

ENTERED Dec 18 2023

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 416

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY Request for a General Rate Revision; and 2024 Annual Power Cost Update.	ORDER

DISPOSITION: FIFTH PARTIAL STIPULATION ADOPTED

I. SUMMARY

This order addresses the fifth partial stipulation regarding Portland General Electric Company's request for a general rate revision. In an earlier order, issued on October 30, 2023,[1] we adopted five partial stipulations (stipulations one through four, and six) filed by the parties regarding net variable power cost and general rate revision issues. A seventh partial stipulation, addressing additional net variable power costs issues was adopted in an order issued on November 6, 2023.[2]

In this order, we adopt the fifth partial stipulation, addressing the objections brought by the Alliance of Western Energy Consumers related to a cap in Schedule 118, which recovers the costs for the Income-Qualified Bill Discount (IQBD) program. The new rates resulting from the adoption of the seven stipulations will become effective on January 1, 2024.

II. PROCEDURAL HISTORY AND BACKGROUND

On February 15, 2023, PGE filed Advice No. 23-03 to request a general rate revision and the 2024 annual power cost update. Staff of the Public Utility Commission of Oregon (Staff), the Alliance of Western Energy Consumers (AWEC), Calpine Energy Solutions, LLC (Calpine Solutions), Community Action Partnership of Oregon (CAPO), Community Energy Project, Oregon Citizens' Utility Board (CUB), Fred Meyer Stores

[1] Order No. 23-386 (Oct. 30, 2023).
[2] Order No. 23-424 (Nov. 6, 2023).

and Quality Food Centers, Divisions of The Kroger Co. (Fred Meyer), NewSun Energy LLC, (NewSun), Natural Resources Defense Council (NRDC) and the NW Energy Coalition (NWEC), Small Business Utility Advocates (SBUA), and Walmart Inc. participated as parties to this proceeding. During the course of the investigation, parties filed seven partial stipulations resolving all issues in the docket, six of which were unopposed.[3] The fifth partial stipulation, filed October 6, 2023, addresses Schedule 118, IQBD program cost recovery. The stipulating parties to the fifth partial stipulation are Staff, PGE, CUB, Fred Meyer, CAPO, SBUA, and Walmart. CEP is not a signatory but supports the fifth partial stipulation. AWEC filed its opposition to the fifth partial stipulation with supporting testimony on October 23, 2023. The stipulating parties filed a response with supporting testimony on November 9, 2023.[4] AWEC filed a reply on November 17, 2023.

The ALJ issued a ruling closing the record on December 12, 2023.

III. APPLICABLE LAW

ORS 757.210 establishes the applicable standard and burden of proof. It provides that in a rate case, "the utility shall bear the burden of showing that the rate or schedule of rates proposed to be established or increased or changed is fair, just and reasonable." Thus, PGE must submit evidence showing that its proposed rates, including the terms and conditions of service, are just and reasonable. The Commission must also determine that a stipulation results in just and reasonable rates.[5]

IV. FIFTH PARTIAL STIPULATION

The stipulating parties explain that the costs for the IQBD program are recovered from all customers via Schedule 118 charges. Under Schedule 118, PGE forecasts program costs for the following year and then adds any under- or over-recovery from the current year. The costs are recovered via a flat charge for residential customers and a per-kWh charge for non-residential customers. Currently Schedule 118 sets a $1,000 monthly cap on the total amount charged per site, which limits the charge to the largest non-residential customers. Under the fifth partial stipulation, the stipulating parties agree to a 20 million kWh cap per site for cost recovery purposes.

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[3] SBUA was a signatory to the fourth partial stipulation and later sought reconsideration of its adoption as it related to the nineteenth provision. That request is addressed in a separate order.

[4] The stipulating parties' response was timely filed on November 9, 2023. The stipulating parties' joint testimony was filed after the 3:00 p.m. deadline the same day and was accompanied by a motion from Staff to accept the late-filed testimony. The stipulating parties' joint testimony is accepted.

[5] *See In the Matter of Portland General Electric Company, Detailed Depreciation Study of Electric Utility Properties*, Docket No. UM 2152, Order No. 21-463, at 7 (Dec.15, 2021).

V. POSITIONS OF THE PARTIES

A. Stipulating Parties

The stipulating parties argue that the fifth partial stipulation is a reasonable compromise on the issue of the Schedule 118 cap, reached by seven parties representing a broad range of customers. The stipulating parties explain that their positions in this case ranged from removing the cap entirely (CUB, CEP-CAPO, and Fred Meyer) to removing the dollar cap and instead applying a percent of bill cap set at 2 percent per site (Staff). They explain that the agreement to establish a cap of 20 million kWh per month will decrease the extent to which large non-residential customers are shielded from IQBD program cost recovery. Specifically, they explain that an increase in the cap will ensure the largest customers will contribute to the IQBD program on a roughly commensurate basis as other customers in terms of the percentage of their total utility bill. The relative bill impact percentages by rate class as provided by the stipulating parties are set forth in the table below.[6]

Customer Class	Bill impact (percent)
Residential	1.68
General service <30kW	1.72
General service 31-200kW	2.19
General Service 201-4000kW (secondary)	2.59
General Service 201-4000kW (primary)	2.96
Schedule 89 >4MW (primary)	3.30
Schedule 89 >4MW (secondary)	2.78
Schedule 90	1.23

The stipulating parties argue that two important outcomes of the 20 million kWh cap are a more equitable overall distribution of costs and a more equitable cost recovery structure to mitigate disproportionate impacts as the program grows. To the first point, they contend that anything that limits or exempts the costs to be recovered from one customer class would mean that other customers would have to pay more. They contend that even under the 20 million kWh cap, approximately 70 percent of Schedule 90 usage is still exempt, but that 99 percent of Schedule 90 load would be exempt under AWEC's proposal. They also argue that in light of program expansion, as currently eligible customers begin to participate, the 877,193 kWh cap proposed by AWEC would result in increasingly disproportionate impacts on other customer classes. The stipulating parties

[6] These bill impacts are based on an updated load forecast and an updated 2024 program forecast of $52 million (reduction of $3 million) relative to the information available at the time AWEC filed its objection. Stipulating Parties/601, Scala-Macfarlane-Jenks/1.

maintain that although the 20 million kWh cap would still exempt a considerable volume of usage from Schedule 118 recovery for a single large customer[7] it is intended to provide balance between the concerns of different parties and achieve a reasonable level of equity.

The stipulating parties argue that comparing the percentage of total bill, the cap under the fifth partial stipulation results in the most equitable distribution of costs among customer classes. The stipulating parties assert that under AWEC's proposal, residential customers who do not qualify for the IQBD program with income just above the eligibility threshold would pay a significantly higher percentage of their bill than that paid by Schedule 90 customers under the stipulation. They argue that under the 20 million kWh cap, the largest disparity in rate impacts between customer classes would be 1.9 percent, as compared to 3.6 percent under AWEC's proposal.[8]

The stipulating parties dispute AWEC's claims of rate shock and contend that the 6,500 percent increase that AWEC points to relative to the existing cap is immaterial in light of how small the current $1,000 cap is. They argue that AWEC's proposed 877,193 kWh cap is the volumetric equivalent of the $1,000 cap and will continue the inequitable distribution of these costs. The stipulating parties assert that the existing cap of $1,000 was included as an initial feature to facilitate adoption of the IQBD program without objection. Under this existing cap, they contend that Schedule 89 and 90 customers pay less than 0.2 percent and 0.03 percent of their monthly bills towards Schedule 118 costs as compared to other customers paying approximately two percent. Specifically, they argue that AWEC's cap would exempt 83 and 98 percent of Schedule 89 and 90 customers' usage from cost recovery while the program costs would be assessed against the full usage for all other retail schedules.

The stipulating parties argue that it is important to consider bill impacts in the context of the overall rate changes going into effect on January 1. The stipulating parties explain that with an overall revenue increase of 15 percent across all customers classes, Schedule 89 customers would experience an increase of 8.2 percent and Schedule 90 customers would experience an increase of 12.9 percent, including the impacts of the 20 million kWh cap. They argue that this demonstrates that these customers are experiencing a lower overall increase than other customers and the rate impacts that they will experience are mostly the result of increases not related to Schedule 118. The

[7] The stipulating parties note that while currently a single business entity holds all of the existing Schedule 90 service points, PGE's 2024 forecast demonstrates that a separate business entity is expected to qualify for Schedule 90.

[8] The stipulating parties argue that under the 20 million kWh cap, customers on Schedules 89 and 90 will contribute an average of 3.3 percent and 1.2 percent of their total monthly bill to the IQBD program, respectively. The average contributions from Schedule 7 (residential), and Schedule 32 (small commercial) would represent approximately 1.7 percent of those customers' monthly bills.

stipulating parties also object to AWEC's reliance on the dollars per customer in arguing that the impact to residential and small business customers would be immaterial and contend that in assessing fairness and disproportionate burden percent bill impacts are more relevant.

The stipulating parties also dispute the relevance of ORS 757.698(1)(c). They argue that while the $500 per site limit for Public Purpose Charge Fund contributions is related to one source of low-income assistance, it is inapplicable here. They contend that HB 2475, under which the IQBD program was developed, was intended to broaden Commission authority and expand the means of addressing energy burden. Additionally, the stipulating parties argue that unlike ORS 757.698(1)(c), which established a cap by statute, the language of HB 2475 does not set a cap and leaves to the Commission the manner of cost recovery for this program. The stipulating parties further note that HB 2475 includes express non-bypassability language. They argue that some of the language is intended to ensure direct access contributions to the program, but that as a whole this provision addresses principles of shared social responsibility.[9]

The stipulating parties argue AWEC's assertions about cost causation are not relevant in determining the appropriate cost recovery for this program because the law authorizing the program specifically requires that the costs be collected from all retail customers. They also dispute AWEC's position that it is unfair for Schedule 89 and 90 customers to pay for a program that they are not eligible for, arguing most Schedule 7 customers are also not eligible on the basis of income. They also dismiss as irrelevant AWEC's argument that energy burden is more fairly addressed by companies paying lower wages that contribute to the underlying issue rather than companies paying higher wages to their employees.

The stipulating parties oppose AWEC's secondary recommendation to apply the 20 million kWh cap on a per customer basis, rather than per site basis. They contend that this would benefit one Schedule 90 customer at the expense of all other customers, including Schedule 89 customers, by effectively reducing the cap for Schedule 90 customers. They explain that the rate impacts to Schedule 89 customers are virtually identical whether the cap is at 877,193 kWh or 20 million kWh, with the difference that most costs would be shifted to other non-Schedule 90 customers under the lower cap.

Finally, the stipulating parties dispute that the increase resulting from the 20 million kWh cap would be of sufficient magnitude to affect companies' decisions about whether to locate in Oregon. They argue that this is an oversimplification of the many factors

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[9] Stipulating Parties' Response to Objections of AWEC to Fifth Partial Stipulation at 6-7 (Nov. 9, 2023), citing ORS 757.695.

considered by companies and ignores factors such as climate, available workforce, tax benefits, and lower volumetric energy rates than many states.

B. Alliance of Western Energy Consumers

AWEC opposes the 20 million kWh cap in the fifth partial stipulation and recommends that the IQBD program cap instead be increased by the percentage increase in the overall costs of the program. Specifically, AWEC proposes to modify the $1,000 cap to an 877,193 kWh monthly cap. AWEC maintains that this approach is based on the level of the cap originally approved for the IQBD program but increased proportionally with the cost of the program and contends that this approach will ensure that no customer class is disproportionately impacted. AWEC explains that if the 20 million kWh cap is adopted, its secondary recommendation would be to apply the cap to Schedule 90 as a per-customer cap rather than a per-site cap. AWEC notes that it would not oppose any range of outcomes between these two options, which it asserts acknowledges the Commission's discretion to identify a just and reasonable spread of the costs of the IQBD program while also recognizing AWEC's ratemaking and economic arguments.

AWEC argues that the cap on IQBD program costs should consider percentage rate impacts, overall dollar impacts, cost causation, and broader economic effects. AWEC contends that the stipulating parties' proposed cap is based only on the percentage rate impacts to each customer class. AWEC argues that Schedule 90 is for customers that are orders of magnitude larger than any other customer with energy use many times greater than PGE's next largest customer and that as a result, when costs are spread on a kWh basis, the percentage impact may appear small, but the revenue collected is large. AWEC asserts that the dollar impacts that should also be considered are that the 20 million kWh per-month, per-site, cap results in a single customer paying $3.2 million for the IQBD program in 2025, with residential customers paying less than $32, and large commercial customers less than $12,000.

AWEC argues that the stipulating parties do not address why it is just or reasonable to shift program costs from small customers to large customers. AWEC asserts that the magnitude of the cost shift resulting from the 20 million kWh cap is grossly excessive and unjustified, with the single Schedule 90 customer paying over $3 million per year. AWEC contends that, while not precedential or binding, the $500 cap in ORS 757.698(1)(c) under the Energy Affordability Act is representative of the magnitude of costs the Legislature has determined to be reasonable to apply to large customers for energy assistance programs, and thus relevant to the Commission's determination here of a just and reasonable level of cost to impose on these customers for this program.

AWEC also argues that the 20 million kWh cap is inconsistent with the stipulating parties' arguments regarding an equitable spread of IQBD costs. Specifically, AWEC asserts that as demonstrated by Stipulating Parties/601 and Table 1 of the stipulating parties' response testimony, AWEC's recommendations are no less proportional from a percentage rate impact perspective than the 20 million kWh cap. AWEC explains that under the fifth partial stipulation, Schedule 89 customers will pay more than twice what residential customers will pay on a percentage basis, with a 3.4 percentage rate impact that is farther from the average rate impact (1.9 percent) than under AWEC's proposal to cap program costs at 877,193 kWh. AWEC notes that its recommendation would set residential contributions at the average rate impact of 1.9 percent, but under the stipulation both residential and small commercial customers would contribute below that average.

AWEC argues that the stipulating parties fail to address why the cap should be set at 20 million kWh. AWEC asserts that the level of the cap is so high that it applies only to four sites on Schedule 90 and does not apply at all to the very large customers on Schedule 89. AWEC argues that the 20 million kWh cap would result in a massive increase to large customers but would do little to mitigate the costs to smaller customers, explaining that the reduction in bills for residential and small business customers would be less than a dollar per month. AWEC asserts that the 20 million kWh cap would result in a 6,500 percent Schedule 118 increase for customers at the cap, which would result in rate shock. AWEC contends that this increase is also inequitable because large customers do not benefit from the program and, because these customers pay their employees relatively high wages, they also do not contribute to the economic issues necessitating the program. AWEC also argues that charging these costs to some of Oregon's largest employers may risk these customers relocating outside of the state. AWEC argues that energy costs are a major factor that large multi-state industrial users consider in deciding where to locate or expand operations. AWEC asserts that the existence of tax breaks is an indicator that there is enough of a risk of relocation or reduction of tech jobs that Oregon communities have been willing to forgo taxing these entities in order to attract and retain them.

AWEC characterizes the stipulating parties' arguments about disproportionate cost impacts as the IQBD program grows as a call to closely scrutinize further increases to IQBD program costs, noting projected costs of $55 million in 2024 and $66 million in 2025.

AWEC disputes the stipulating parties' position that increases for IQBD program costs to Schedule 89 and 90 customers under the stipulation are reasonable because those customer classes are experiencing a smaller overall rate increase than other customers from the general rate case. AWEC argues that this is offset by the increases that

customers on Schedule 89 and 90 have experienced over the last five years as PGE's power costs have increased 248 percent. AWEC asserts that Schedules 89 and 90 have borne more of the power costs than any other customer class.

If the Commission adopts the 20 million kWh cap, AWEC recommends that the cap be applied on a per-customer rather than a per site basis to Schedule 90. AWEC explains that Schedule 90 is the only schedule that the cap applies to and that the four sites on Schedule 90 are owned by one customer. AWEC maintains that under the 20 million kWh cap, the dollar impacts to the Schedule 90 customer are significantly larger than those that would be experienced any other rate class and nearly five times larger than the next largest impacts. AWEC asserts that to apply it on a per site basis would require this customer to pay for the IQBD program up to the cap four times.

AWEC explains that it limited this recommendation to a per-site application of the cap to Schedule 90 because PGE had previously indicated this was the only schedule in which a per-customer cap would be workable. AWEC maintains that in a discovery response, PGE states the company could implement a per-customer cap with proper direction. AWEC states that it supports applying the IQBD program on a per-customer basis to all rate schedules, if feasible. AWEC notes that while the stipulating parties oppose the per-site cap, as "a request for unabashed preferential treatment for one customer" the 20 million kWh cap itself would only apply to a single customer.

AWEC acknowledges that imposing the cap on a per-customer basis for Schedule 90 increases costs for other rate schedules, and notes that this is why this is not AWEC's primary recommendation. However, AWEC contends that the resulting impacts to other schedules, including Schedule 89, are marginal. Specifically, AWEC explains that the difference between applying the 20 million kWh cap to Schedule 90 per site versus per customer is a 0.2 percent impact (less than $900 per month) for Schedule 89 primary service customers, with lesser impacts to all other rate schedules on both percent and dollar bases. In contrast, AWEC argues that the impact to the Schedule 90 customer with multiple sites is significant, reduced from $2.6 million (in 2024) to just under $700,000. AWEC also argues that a $700,000 contribution from this customer would still represent the single largest payment to the IQBD program by several orders of magnitude.

VI. RESOLUTION

Under OAR 860-001-0350, the Commission may adopt, reject, or propose to modify a stipulation. If the Commission proposes to modify a stipulation, the Commission must explain the decision and provide the parties sufficient opportunity on the record to present evidence and argument to support the stipulation.

We review a stipulation to determine whether overall it results in fair, reasonable, and just rates. We review settlements on a holistic basis to determine whether they serve the public interest and result in just and reasonable rates. A party may challenge a settlement by presenting evidence that the overall settlement results in something that is not compatible with a just and reasonable outcome. Where a party opposes a settlement, we will review the issues pursued by that party, and consider whether the information and argument submitted by the party (which may be technical, legal, or policy information and argument) suggests that the settlement is not in the public interest, will not produce rates that are just and reasonable, or otherwise is not in accordance with the law. To support the adoption of a settlement, the stipulating parties must present evidence that the stipulation is in accord with the public interest and results in just and reasonable rates.

We have reviewed the terms of the fifth partial stipulation and the testimony submitted by the parties. AWEC raises legitimate issues and considerations that, in the end, do not persuade us that the multi-party stipulation is unreasonable, unjust, or inconsistent with the public interest. We find the terms of the stipulation are supported by sufficient evidence, appropriately resolve the issues in this case, and will result in fair, just, and reasonable rates. We find that this stipulation represents a reasonable resolution of the issues and contributes to an overall settlement in the public interest across the seven partial stipulations. Accordingly, we adopt the fifth partial stipulation in its entirety.

To begin with, we accept and agree with the stipulating parties' premise that the costs for this program should be shared equitably across all customer classes. We find support for this premise in the law that authorized us, in ratemaking, to consider differential energy burdens on low-income customers. Under ORS 757.695, the costs of the IQBD program "must be collected in the rates of an electric company through charges paid by all retail electricity consumers, such that retail electricity consumers that purchase electricity from electricity service suppliers pay the same amount to address the mitigation of energy burdens as retail electricity consumers that are not served by electricity service suppliers." Although this provision most directly addresses the equity between large customers served by energy service suppliers and those served by the utility, its general direction that large customers participating in the direct access program "pay the same amount" as other retail consumers is instructive and contradicts many of AWEC's arguments about cost causation and public policy.

In light of this premise, AWEC's primary position is untenable. AWEC asks us to reject a stipulation that offers a reasonably even proportional percentage of bill impacts across customer classes, in favor of retaining the status quo. As demonstrated by the stipulating parties, the existing $1,000 cap—which would essentially be preserved by AWEC's 877,193 kWh cap—has resulted in the largest customers making a disproportionately small contribution to the program relative to other customers. Schedule 89 and 90

customers pay less than 0.2 percent and 0.03 percent of their monthly bills towards Schedule 118 costs while other customers' contributions are approximately two percent of their bills.[10] Adoption of the 877,193 kWh cap proposed by AWEC would only serve to preserve this inequitable distribution of costs. AWEC's argument that the public interest requires us to reject a multi-party stipulation in order to shield large customers from cost impacts demonstrated to be significantly more equitable than the status quo falls flat.

We find the percentage of bill basis for evaluating the relative contributions of each customer class to be reasonable. In addition to relying on this reasonably proportional bill percentage outcome, we also considered the rate of change in bill impacts. Although these large customer classes will experience higher increases in Schedule 118 costs than other customers, we recognize both that they are starting from a clearly disproportionate initial contribution level and that their overall January 1, 2024, bill impacts are still projected to be lower than those of other customers.[11] We do not find the public interest to be sufficiently undermined by the significant increase in bill impacts for IQBD program cost recovery for large customers, when this increase is considered together with the relative overall bill impacts to be effective January 1, 2024.

As an alternative to its primary position, AWEC encourages us to modify the stipulation, expressing a willingness to accept any range of outcomes between AWEC's recommended 877,193 kWh cap and the stipulation's 20 million kWh cap, applied on a per customer basis. As a secondary recommendation, AWEC suggests that we modify the stipulation to implement the cap on a per customer basis, rather than a per site basis—a modification that would benefit one customer currently taking Schedule 90 service at four separate sites.

Were we deciding this issue in the first instance, we might consider AWEC's suggestions to be reasonable and well-taken. We recognize that there are a wide variety of acceptable ways of achieving an equitable distribution of costs, such that all customer classes contribute meaningfully to the IQBD program. However, we are cognizant that any material changes to a multi-party stipulation, even ones we view as reasonable in isolation, may undermine other parties' support for the stipulation. A practice of changing stipulations that we have concluded are in the public interest in ways that alter the benefits and burdens accepted by other stipulating parties may undermine the benefits we

[10] Stipulating Parties/600, Scala-Macfarlane-Jenks/13.
[11] With an overall revenue increase of 15 percent across all customers classes, Schedule 89 customers would experience an increase of 8.2 percent and Schedule 90 customers would experience an increase of 12.9 percent, including the impacts of the 20 million kWh cap. Stipulating Parties/600, Scala-Macfarlane-Jenks/10.

seek in encouraging settlement, including "conserving litigation resources, avoiding litigated outcomes and associated risks, and prioritization of efforts."[12]

Thus, while we recognize that the total dollar amount that this single Schedule 90 customer will contribute to the program is significant, it represents a small percentage of this entity's total electric bill. Based on current 2024 projections of program costs of $52 million, the multi-site Schedule 90 customer would contribute 1.2 percent of its bill, as compared to residential and small business customers contributing 1.7 percent of their bills.[13] And, while AWEC points out that it would not oppose a different, Commission-directed cost spread, in light of the overall value of encouraging reasonable settlements, we decline to arbitrarily select a compromise different from the one that all other parties reached. Moreover, rejecting the stipulation in favor of either of these alternatives would require additional Commission implementation direction and create practical challenges that jeopardize PGE's ability to implement a solution by the rate effective date.[14]

We are cognizant of the concerns about increasing costs as the discount program reaches maturity, and the public policy concerns AWEC expresses on behalf of the single customer currently taking service under Schedule 90. As we expressed in Order No. 22-388, we are willing to continue to evaluate program design, cost recovery, and cost allocation as the IQBD program evolves, including revisiting the allocation we adopt in this stipulation.[15] We note that, under the sixth partial stipulation, adopted in Order No. 23-386, PGE will complete a low-income needs assessment (LINA) by June 30, 2024, and will submit a new discount program proposal informed by the LINA within 90 days of receiving the assessment. We also note that the statute calling for this program also directs efforts energy efficiency measures such as weatherization and improved insulation that can both lower bills for low-income customers by reducing their usage, and ultimately help to decrease the ongoing costs of the discount program.

[12] Order No. 21-463, at 7.
[13] Stipulating Parties/600, Scala- Macfarlane-Jenks/5.
[14] Stipulating Parties/600, Scala –Macfarlane- Jenks/17.
[15] *In the Matter of Northwest Natural Gas Company, dba NW Natural, Request for a General Rate Revision (Docket No. UG 435),* Order No. 22-388, at 86 (Oct. 24, 2022), and Order No. 23-046 at 6 (Feb. 21, 2023).

VII. ORDER

IT IS ORDERED that:

1. The fifth partial stipulation between Portland General Electric Company, Staff of the Public Utility Commission of Oregon, Oregon Citizens' Utility Board, Community Action Partnership of Oregon, Fred Meyer Stores and Quality Food Centers, Divisions of The Kroger Co., Small Business Utility Advocates (SBUA), and Walmart Inc., filed August 21, 2023, attached as Appendix A, is adopted.

2. Portland General Electric Company must file a revised Schedule 118 consistent with this order to be effective January 1, 2024.

Made, entered, and effective Dec 18 2023.

Megan W. Decker
Chair

Letha Tawney
Commissioner

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 416

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY Request for 2024 General Rate Revision	**FIFTH PARTIAL STIPULATION**

This Fifth Partial Stipulation (Stipulation) is between Portland General Electric Company (PGE), Staff of the Public Utility Commission of Oregon (Staff), the Oregon Citizens' Utility Board (CUB), Fred Meyer Stores and Quality Food Centers, Division of The Kroger Co. (Kroger), Walmart, Inc. (Walmart), Community Action Partnership of Oregon (CAPO), and Small Business Utility Advocates – Oregon (SBUA-Oregon) (collectively, the "Stipulating Parties"). While not a signatory, Community Energy Project (CEP) supports the Stipulation. Calpine Solutions, Natural Resources Defense Counsel and NW Energy Coalition did not take a position on the issues resolved by this Stipulation, and therefore they are not a party to this Stipulation but do not oppose it. The Alliance of Western Energy Consumers (AWEC) is not a party to this Stipulation and opposes the Stipulation.

PGE filed this general rate case on February 15, 2023. The filing included 14 separate pieces of testimony and exhibits. PGE also provided to Staff and other parties robust work papers in support of its filing. Since that time, Staff and intervening parties have submitted approximately 1,300 data requests obtaining additional information. PGE previously achieved partial settlements in this docket on June 14, 2023 and July 11, 2023, resolving certain issues related to net variable

power costs (NVPC) in this general rate case as detailed in the First and Third Stipulations filed on August 21, 2023. The parties also engaged in settlement discussions on June 28, 2023, August 1, 2023, August 7, 2023, and August 8, 2023, regarding non-NVPC items in this general rate case resulting in the Second Stipulation filed on August 21, 2023.

The Stipulating Parties continued to meet for settlement discussions on August 29, 2023 and September 6, 2023 resulting in settlements primarily related to rate spread and rate design. The Stipulating Parties participated in these settlement discussions. As a result of the discussions, the Stipulating Parties have reached a compromise settlement resolving several additional issues in this docket, as set forth below.

TERMS OF FIFTH PARTIAL STIPULATION

1. This Stipulation resolves only the general rate case issues described below.
2. Schedule 118 Income Qualified Bill Discount, Cost Recovery
    a. Stipulating Parties agree to a 20 million kWh cap per month for cost recovery purposes in Schedule 118.

Stipulating Parties recommend and request that the Commission approve the adjustments and provisions described herein as appropriate and reasonable resolutions of all issues addressed in this Stipulation.

Stipulating Parties agree that this Stipulation is in the public interest, and will result in rates that are fair, just, and reasonable, consistent with the standard in ORS 756.040.

Stipulating Parties agree that this Stipulation represents a compromise in the positions of the Stipulating Parties. Without the written consent of all the Stipulating Parties, evidence of conduct or statements, including but not limited to term sheets or other documents created solely for use in settlement conferences in this docket, are confidential and not admissible in this instance

or any subsequent proceeding, unless independently discoverable or offered for other purposes allowed under ORS 40.190.

Stipulating Parties have negotiated this Stipulation as an integrated document. The Stipulating Parties seek to obtain Commission approval of this Stipulation in a timely manner. If the Commission rejects all or any material part of this Stipulation, or adds any material condition to any final order that is not consistent with this Stipulation, each Stipulating Party reserves its right: (i) pursuant to OAR 860-001-0350(9), to present evidence and argument on the record in support of the Stipulation, including the right to cross-examine witnesses, introduce evidence as deemed appropriate to respond fully to issues presented, and raise issues that are incorporated in the settlements embodied in this Stipulation; and (ii) pursuant to ORS 756.561 and OAR 860-001-0720, to seek rehearing or reconsideration, or pursuant to ORS 756.610 to appeal the Commission's final order. Stipulating Parties agree that in the event the Commission rejects all or any material part of this Stipulation or adds any material condition to any final order that is not consistent with this Stipulation, Stipulating Parties will meet in good faith within ten days and discuss next steps. A Stipulating Party may withdraw from the Stipulation after this meeting by providing written notice to the Commission and other Stipulating Parties.

This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR 860-001-0350(7). Stipulating Parties agree to support this Stipulation throughout this proceeding and in any appeal and provide witnesses to support this Stipulation (if required by the Commission) and recommend that the Commission issue an order adopting the settlement contained herein. By entering into this Stipulation, no Stipulating Party shall be deemed to have approved, admitted or consented to the facts, principles, methods or theories employed by any other Stipulating Party in arriving at the terms of this Stipulation. Except as provided in this

Stipulation, no Stipulating Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in any other proceeding.

This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this 6th day of October, 2023.

Brett Sims

PORTLAND GENERAL ELECTRIC COMPANY

Stephanie Andrus

STAFF OF THE PUBLIC UTILITY OF OREGON

Mike Goetz

OREGON CITIZENS' UTILITY BOARD

Kurt Boehm

THE KROGER CO.

Justina Caviglia

WALMART

Benedikt Springer

CAPO

Diane Henkels

SBUA-OREGON