

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1301(17) & (18)

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY,

Application for Reauthorization to Defer  
Direct Access Open Enrollment  
Costs/Benefits.

ORDER

**DISPOSITION: STAFF'S RECOMMENDATION ADOPTED**

At its public meeting on September 2, 2025, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.



BY THE COMMISSION:

**Alison Lackey**  
Chief Administrative Law Judge

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 Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA1

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: September 2, 2025**

**REGULAR** \_\_\_\_\_ **CONSENT**   X   **EFFECTIVE DATE** \_\_\_\_\_ **N/A**

**DATE:** July 29, 2025

**TO:** Public Utility Commission

**FROM:** Kathy Zarate

**THROUGH:** Scott Gibbens and Bret Stevens **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Dockets No. UM 1301(17) and (18))  
Requests reauthorization to defer Direct Access Open Enrollment  
Costs/Benefits.

**STAFF RECOMMENDATION:**

Staff recommend that the Oregon Public Utility Commission (Commission) approve Portland General Electric's (PGE or Company) applications for reauthorization to defer certain costs or benefits associated with implementation of PGE's Direct Access Open Enrollments for the 12-month time periods beginning January 1, 2024 (UM 1301(17)), and January 1, 2025 (UM 1301(18)).

**DISCUSSION:**

Issue

Whether the Commission should approve PGE's requests for reauthorization to defer, with interest, certain costs or benefits associated with implementation of PGE's Direct Access Open Enrollment.

Applicable Law

Pursuant to ORS 757.259, the Commission may authorize the deferral of identifiable utility revenues and expenses for later inclusion in rates after finding the expenses or revenues should be deferred in order to minimize the frequency of rate changes or the fluctuation of rate levels, or to match appropriately the costs borne by and benefits received by ratepayers.

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OAR 860-027-0300 governs the use of deferred accounting by energy and large telecommunications utilities and includes several procedural requirements for an application for deferral.

### Analysis

#### *Background*

On September 14, 2006, the Commission adopted the Direct Access Stipulation (Stipulation) in Order No. 06-528, which specifies PGE will offer quarterly Direct Access enrollment windows in addition to its annual November election window.

On February 23, 2012, Commission Order No. 12-057 (Docket No. UE 236) reduced the quarterly windows to one, effective April 1 of each year. This balance-of-year window now provides Schedule 128 – Short Term Transmission Adjustment eligible customers with the opportunity to move to direct access service or an applicable non-cost-of-service pricing option for the balance of the calendar year. The financial impact of customer decisions during the balance-of-year and Annual Direct Access Windows is based on the amount of customer load that selects non-cost of service pricing and the changes in wholesale market prices used to set the Schedule 128 – Short Term Transition Adjustment rates for each enrollment period.

Amounts calculated pursuant to this mechanism are deferred if the difference in market prices and the load leaving PGE's cost-of-service rate exceeds \$60,000 in the balance-of-year period or \$240,000 for the annual election as specified in Schedule 128.

PGE filed the two deferral applications at issue in this memorandum on December 28, 2023 and December 31, 2024. The last reauthorization order issued by the Commission in the docket was on December 29, 2024, for UM 1301(17).

#### *Reason for Deferral*

Any costs or benefits associated with the deferral will be considered for appropriate rate-making treatment and with this Application will minimize the frequency of rate changes or fluctuations and match appropriately the costs borne by and benefits received by customers.

#### *Estimate of Amounts*

According to the Company, the deferred amount for any given deferral period is a function of the difference in wholesale market prices used to set transition adjustment rates, Schedule 128, for each direct access enrollment window, and the amount of customer load that selects non-cost of service energy pricing and supply.

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However, the current deferral balance is approximately \$1 million associated with the 2023 annual enrollment window. The Company also will set the amortization schedule for this amount through Schedule 105 – Regulatory Adjustments.

*Proposed Accounting*

The Company expects any deferred amount to be recovered or refunded in a manner approved by the Commission and consistent with the terms of Schedule 128.

Nevertheless, the Company proposed Accounting to record the deferral as a regulatory asset in FERC Account 182.3 (Other Regulatory Assets) with an off-setting credit to FERC Account 447 (Sales for Resale) or as a regulatory liability in FERC Account 254 (Other Regulatory Liabilities) with an off-setting debit to FERC Account 447 (Sales for Resale).

*Information Related to Future Amortization*

- Earnings review – An earnings review is required prior to amortization, pursuant to ORS 757.259(5).
- Prudence Review – A prudence review is required prior to amortization and should include a verification of the accounting methodology used to determine the final amortization balance.
- Sharing – How sharing would be structured does not appear to be specified by Commission order, but Staff recommends that there be no sharing of costs after an earnings review is applied.
- Rate Spread/Design – The amortization of any deferred amount will be spread on a per-kWh basis to Large Nonresidential customers as specified in Schedule 128.
- Three Percent Test (ORS 757.259(6)) – The three percent test measures the annual overall average effect on customer rates resulting from deferral amortizations. The three percent test limits (exceptions at ORS 757.259(7) and (8)) the aggregated deferral amortizations during a 12-month period to no more than three percent of the utility's gross revenues for the preceding year. Because PGE is an electric utility, ORS 757.259(8) allows the Commission to consider up to a six percent limit.

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Conclusion

The rationale for this deferral is still valid, and the Company's application meets the requirements of ORS 757.259 and OAR 860-027-0300. For these reasons, Staff recommends PGE's application be approved.

**PROPOSED COMMISSION MOTION:**

Approve Portland General Electric's applications for reauthorization to defer certain costs or benefits associated with implementation of PGE's direct access open enrollments for the 12-month time periods beginning January 1, 2024 (UM 1301(17)), and January 1, 2025 (UM 1301(18)).

CA1 - PGE UM 1301(17)(18)