

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2218(3)

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

Application for Reauthorization to Defer
Costs and Revenues Associated with the
Transportation Electrification Charge.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on November 13, 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. CA7

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 13, 2025**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** _____ **N/A**

DATE: October 27, 2025

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Scott Gibbens and Michelle Scala **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. UM 2218(3))
Reauthorize Deferred Accounting of Costs and Revenues Associated with
the Transportation Electrification Charge.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Portland General Electric's (PGE or Company) application to defer costs and revenues associated with the Monthly Meter Charge (MMC) required by House Bill (HB) 2165 for the twelve-month period beginning January 1, 2025.

DISCUSSION:

Issue

Whether the Commission should approve PGE's application to defer costs and revenues associated with the MMC required by HB 2165

Applicable Law

PGE makes this filing in accordance with ORS 757.259, OAR 860-027-0300, and HB 2165. ORS 757.259(2)(e) authorizes the Commission to allow a utility to defer identifiable utility expenses or revenues for later recovery in rates to minimize the frequency of rate changes or to match appropriately the costs borne by and benefits received by ratepayers.

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OAR 860-027-0300(3) sets forth the requirements for application to defer, which include:

- (a) A description of the utility expense or revenue for which deferred accounting is requested,
- (b) The reason(s) deferred accounting is being requested and a reference to the section(s) of ORS 757.259 or 759.200 under which deferral may be authorized,
- (c) The account proposed for recording of the amounts to be deferred and the account which would be used for recording the amounts in the absence of approval of deferred accounting,
- (d) An estimate of the amounts to be recorded in the deferred account for the 12-month period subsequent to the application, and
- (e) A copy of the notice of application for deferred accounting and list of persons served with the notice.

HB 2165(2)(2)¹ states:

An electric company that makes sales of electricity to 25,000 or more retail electricity consumers in this state shall collect, through monthly meter charges, an amount from each retail electricity consumer served through the distribution system owned and operated by the electric company. The total amounts collected under this section must be set to one quarter of one percent of the total revenues collected by the electric company from all retail electricity consumers.

HB 2165(2)(3)² states:

Funds collected under subsection (2) of this section must be expended by the electric company to support and integrate transportation electrification and must be consistent with a budget approved by the Public Utility Commission for use of funds collected under this section. Expenditures made by an electric company pursuant to this subsection must be made on elements contained within the electric company's transportation plan accepted by the commission pursuant to ORS 757.357.

¹ 2 Oregon Laws 2021, chapter 95, section 2, compiled as a note after ORS 757.357 (2021).

² 2 Oregon Laws 2021, chapter 95, section 3, compiled as a note after ORS 757.357 (2021).

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ORS 757.357(3)(a) requires utilities to develop a plan that integrates the Company's transportation electrification actions and submit such plan to the Commission for acceptance.

Analysis

Background

PGE filed this application with the Commission on December 31, 2024. This filing relates to House Bill (HB) 2165, which was signed by the Oregon Governor on May 26, 2021, and requires electric companies with more than 25,000 electricity consumers to collect an amount to support transportation electrification. The law was effective January 1, 2022.

The total amounts collected under this law must be set to one quarter of one percent of the total revenues collected by the electric company from all retail electricity consumers.

Funds collected must be expended by the electric company to support and integrate transportation electrification, consistent with a budget approved by the Commission.

The Company submitted its first application on December 30, 2021, for the deferral of incremental costs and revenues associated with the MMC for the twelve-month period beginning January 1, 2022. The PGE filing was approved by the Commission in Order No. 22-200.

In July 2022 in Docket No. UM 2033, the Company submitted a Budget of the 2022 MMC funds, which was approved by the Commission in Order No. 22-381. This budget for MMC funds was updated in April 2023 and approved by Commission in Order No. 23-147.

Description of the Expenses

The Company seeks to continue to defer incremental costs and revenues associated with the MMC.

Proposed Accounting

According to the Company, the balancing account will be recorded in FERC account 254 (Current Regulatory Liability). MMC payments (payments to support and integrate transportation electrification) will be debited to FERC Account 254, and MMC amortization (revenues collected from PGE's customers via Schedule 150) will be credited to FERC Account 254 and debited to FERC Account 908. Interest will accrue on the balance at the approved modified blended treasury rate.

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Reasons for Deferral

Pursuant to ORS 757.259(2)(e) the Company seeks to reauthorize deferred accounting treatment for costs and revenues associated with the MMC.

In addition, with this application the Company seeks minimize the frequency of rate changes and match appropriately the costs borne by and benefits received by customers.

Estimate of Amounts

According to the Company, full year actuals for 2024 are not available at the time of this filing. However, they will be included in the Division 87 annual report as a part of OPUC Docket No. UM 2033.³

Information Related to Future Amortization

- Earnings Review – While an earnings review is required, Staff does not recommend an earnings test be applied given the purposes of these expenditures.
- Prudence Review – A prudence review should be performed by the Commission Staff as part of their review of this deferral's annual reauthorization filings or applications to update Schedule 150.
- Sharing – No sharing mechanism applies to the MMC costs or revenues.
- Rate Spread/Rate Design – Applicable costs will be allocated to each schedule using the applicable schedule's forecasted energy on the basis of an equal percent of revenue applied on a cents-per-kWh basis, with direct access customers priced at cost of service.
- Three Percent Test – The amortization of the MMC deferred costs will be subject to the three percent test in accordance with ORS 757.259(6) and (8), which limits aggregated deferral amortizations during a 12-month period to no more than three percent of the utility's gross revenues for the preceding year.

Conclusion

Approval of this deferral is consistent with HB 2165 and past Commission activities regarding transportation electrification.

³ See, Order 25-146, Draft 2026-2028 TE Plan, Table 7, at 44,45 (July 18, 2025).

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However, since this docket is associated with the UM 2033 docket, Staff recommends that the Commission approve this docket as long as the Company presents its 2026-2028 Transportation Electrification (TE), which filing was made on July 25, 2025 under Docket No. UM 2033.

PROPOSED COMMISSION MOTION:

Approve PGE's application to defer costs and revenues associated with the Monthly Meter Charge required by HB 2165 for the twelve-month period beginning January 1, 2025.