

ORDER NO. 25-488

ENTERED Dec 09 2025

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2249(3)

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

Application for Reauthorization to Defer
Costs and Revenues Associated with
ORS 469A.425 and the Establishment of
the Community Benefits and Impacts
Advisory Group.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on December 9, 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. CA10

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 9, 2025**

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

DATE: November 19, 2025

TO: Public Utility Commission

FROM: Kathy Zarate

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

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. UM 2249(3))
Deferral of costs and revenues associated with ORS 469A.425 and the establishment of a Utility Community Benefits and Impacts Advisory Group.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Portland General Electric's (PGE or Company) application to defer costs and revenues associated with Section 6 of House Bill (HB) 2021 and the establishment of a utility Community Benefit and Impacts Advisory Group (CBIAG) for the 12-month period beginning August 15, 2025.

DISCUSSION:

Issue

Whether the Commission should approve PGE's application to defer costs and revenues associated with Section 6 of HB 2021 and the establishment of a utility CBIAG.

Applicable Law

ORS 757.259 allows the Commission to authorize deferred accounting for later incorporation into rates. Specific amounts eligible for deferred accounting treatment with interest authorized by the Commission include "identifiable utility expenses or revenues, the recovery or refund of which the Commission finds should be deferred in order to

Docket No. UM 2249(3)
November 19, 2025
Page 2

minimize the frequency of rate changes or the fluctuations of rate levels or to match appropriately the costs borne by and benefits received by ratepayers."¹

OAR 860-027-0300 sets forth the Commission's application requirements for deferrals and amortization of deferred amounts.

Electric companies subject to ORS 469A.425(3) must convene and consult with a Community Benefits and Impacts Advisory Group to prepare a biennial report that assesses the community benefits and impacts of the electric company.²

ORS 469A.425(3) specifies "[t]he commission shall establish a process for an electric company to contemporaneously recover the cost associated with the development of biennial reports and the costs associated with compensation or reimbursement for time and travel of members of a Community Benefits and Impacts Advisory Group."

Analysis

Background

ORS 469A.425(2)(a) requires an electric company that files a clean energy plan under ORS 469A.415 to form a Community Benefits and Impacts Advisory Group (CBIAG). The electric company must consult with the CBIAG to prepare and file with the Commission a biennial report that assesses the community benefits and impacts of the electric company.³

ORS 469A.425(3) directs the Commission to establish a process for electric companies to contemporaneously recover the cost associated with the biennial report and for the compensation or reimbursement for time and travel of members of the CBIAG.

The Commission approved PGE's request to establish a cost recovery mechanism to recover costs to develop the biennial report and reimbursement for time and travel of members of the CBIAG in Order No. 23-088. The mechanism includes recovery of forecasted costs as well as a true-up of actual costs through a balancing account.

In Order No. 23-088, the Commission approved Schedule 153, an automatic adjustment mechanism for CBIAG costs making it effective on March 10, 2023. Under Schedule 153, the Company assesses a volumetric charge on customer bills where annual collections are synchronized with forecasted CBIAG costs for the same year.

¹ ORS 757.259(2)(e).

² ORS 469A.425(2).

³ ORS 469A.425(2).

Docket No. UM 2249(3)
November 19, 2025
Page 3

The Company is also allowed to recover or required to refund the variance between forecasted CBIAG costs by deferring and amortizing the variance under Schedule 153.

This is the Company's third request to defer incremental costs and revenues associated with the CBIAG for recovery under Schedule 153. Its previous applications were approved in Order Nos. 23-500 and 25-061.

Reasons for Deferral

Deferred accounting treatment is appropriate in this instance because it minimizes the frequency of rate changes and matches appropriately the costs and benefits received by customers.

Description of the Expenses

The Company is planning to defer costs associated with incremental costs and revenues associated with the CBIAG in accordance with its Schedule 153 - Community Benefits and Impact Advisory Group Cost Recovery Mechanism.

Proposed Accounting

The Company keeps proposing the following CBIAG accounting treatment: the balancing account will be recorded in FERC Account 242 (Current Regulatory Liability).

CBIAG-related costs will be debited to FERC Account 242 and credited to FERC Account 407.4 (Regulatory Credit).

Amortizations

CBIAG amortization (i.e., revenues collected from customers) will be credited to FERC Account 242 and debited to FERC Account 407.4. Interest will accrue on the balance at the approved modified blended treasury rate.

Estimate of Amounts

The Company estimates the forecasted 2026 full year expense is approximately \$335 thousand. From August 2024 to the end of June 2025, \$296,134 has been deferred and \$200,832 collected, leaving the balancing account with a net balance of (\$195,003) including interest.

Information Related to Future Amortization

- Earnings Review: An AAC was created to recover the deferred costs. As such, no earnings review would be required for the prospective rate portion of the AAC. The Commission may use an earnings review on the deferral piece; however, no earnings review is proposed by Staff given the basis of these expenditures.
- Prudence Review: A prudence review will be performed when updating the

Docket No. UM 2249(3)
November 19, 2025
Page 4

amounts for amortization as part of the AAC.

- Sharing: No sharing mechanism applies to the CBIAG costs or revenues.
- Rate Spread/Rate Design: Applicable costs will be allocated to each schedule using the applicable schedule's forecasted energy based on an equal percentage of revenue applied on a cents-per-kWh basis, with direct access customer priced at service cost.
- Three percent test (ORS 757.259(6)): The amortization of the CBIAG deferred costs will be subject to the three percent test in accordance with ORS 757.259(6), which limits aggregated deferral amortizations during any one year to no more than three percent of the utility's gross revenues for the preceding year, unless authorized by the Commission under ORS 757.259(8).

Conclusion

The Commission should approve PGE's application to defer costs and revenues associated with the establishment of a utility CBIAG.

The Company has reviewed a draft of this memo and voiced no concerns.

PROPOSED COMMISSION MOTION:

Approve PGE's application to defer costs and revenues associated with Section 6 of HB 2021 and the establishment of a utility CBIAG for the 12-month period beginning August 15, 2025.