

ORDER NO. 25-491

ENTERED Dec 09 2025

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 2412

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY,

Application for Deferred Accounting  
Treatment of Certain Expenses Associated  
with Schedule 120 Revenues.

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. CA13

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

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

**DATE:** November 18, 2025

**TO:** Public Utility Commission

**FROM:** Luz Mondragon

**THROUGH:** Scott Gibbens and Matt Muldoon **SIGNED**

**SUBJECT:** PORTLAND GNERAL ELECTRIC:  
(Docket No. UM 2412)  
Application for Deferred Accounting Treatment of Schedule 120  
Revenues.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve Portland General Electric's (PGE or Company) request to defer revenues associated with the Seaside Battery for the 12-month period ending October 30, 2026.

**DISCUSSION:**

Issue

Whether the Commission should approve PGE's requests to defer, for later rate-making treatment, Schedule 120 revenues.

Applicable Law

In accordance with ORS 757.259, utilities may seek approval to defer amounts for later inclusion in rates to minimize the frequency of rate changes or to appropriately match customer benefits and costs.

OAR 860-027-0300(4) requires the utility to provide certain information in an application to defer, such as reason for the deferral, estimated amount of the deferral, etc.

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## Analysis

### *Background*

In UE 455, PGE filed for contemporaneous recovery of Seaside, based on a forecasted revenue requirement. This proceeding was fully contested, ultimately resulting in Commission Order No. 25-417, which instructed PGE to file a deferral to track the revenues associated with Schedule 120, the alternative cost recovery schedule for Seaside.

### *Reason for Deferral*

PGE filed this deferral application to comply with the Commission's direction to establish a deferral to track Schedule 120 revenues in order to implement an earnings test.<sup>1</sup>

### *Proposed Accounting*

PGE proposes to record any deferred amounts to a Regulatory Liabilities account, to be held for potential future refund through Schedule 120.

### *Estimate of Amount*

PGE is currently unable to estimate the amount of revenues subject to this deferral application. However, the forecasted annual revenue requirement approved in UE 455 was \$35.2 million.<sup>2</sup>

### *Information Related to Future Amortization*

- Earnings review – In Order 25-417 the Commission adopted an earnings test set at PGE's authorized rate of return (ROR). Each year, PGE will file the results of the earnings test on December 1, subsequent to its annual update filing, to be reviewed by Staff. The earnings test will cover the 12 months ending October 31, 2026, and any excess earnings will be refunded via a Schedule 120 adjustment following the earnings test.<sup>3</sup>
- Prudence Review – No prudence review is necessary at the time of deferral authorization because the Commission reviewed the prudence of all rates included in Schedule 120 during the proceeding in docket UE 455 and through its decision in Commission Order 25-417.
- Sharing – No sharing mechanism is applicable.
- Rate Spread/Design – Costs recovered through this schedule will be allocated to each schedule using the applicable schedule's forecasted energy on the basis of an equal percent of generation revenue applied on a cents per kWh basis to each applicable rate schedule.

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<sup>1</sup> UE 455. Order 25-417 at 14.

<sup>2</sup> PGE UE 455 Compliance filing Advice No. 25-34 (October 24, 2025).

<sup>3</sup> UE 455. Order 25-417 at 13-14.

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- Three Percent Test (ORS 757.259(6)) – The amortization of the deferred costs will be subject to the three percent test in accordance with ORS 757.259(6), which absent certain exceptions limits aggregated deferral amortizations during a year to no more than three percent of the utility's gross revenues for the preceding calendar year.

### Conclusion

Staff reviewed the Company's application, and found it is consistent with Order No. 25-417. Accordingly, Staff recommends the application be approved.

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

### **PROPOSED COMMISSION MOTION:**

Approve PGE's application to defer revenues associated with the Seaside Battery for the 12-month period ending October 30, 2026.

CA13 - PGE UM 2412 Schedule 120 Seaside Battery Deferral