

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 461

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

Advice No. 25-31, Schedule 151, Wildfire
Mitigation, 2024 O&M Expenses.

ORDER

DISPOSITION: STIPULATION ADOPTED

I. SUMMARY

In this order, we adopt a stipulation addressing Portland General Electric Company's (PGE) Schedule 151, 2024 wildfire mitigation operations and maintenance (O&M) expenses, and resolving all issues in the case as submitted by PGE and Staff of the Public Utility Commission of Oregon.

The effect of adopting the stipulation is to allow PGE to amortize its 2024 wildfire mitigation O&M costs, as adjusted by the stipulation, over a one-year period, with new rates to be effective May 1, 2026.

II. PROCEDURAL HISTORY AND BACKGROUND

On October 17, 2025, PGE initiated this docket by filing Advice No. 25-31 along with opening testimony supporting its request to recover O&M costs incurred as a result of implementation of PGE's wildfire mitigation plan (WMP) through its Schedule 151 automatic adjustment clause (AAC). PGE's filing requested recovery of \$20.0 million (exclusive of interest costs) for 2024 wildfire mitigation O&M costs and \$12.0 million (exclusive of interest costs) for 2025 wildfire mitigation O&M costs.

Staff participated as a party to these proceedings. After settlement discussions, the parties agreed that PGE would remove 2025 wildfire mitigation O&M costs from its request. On January 22, 2026, PGE filed revised tariff sheets in Advice No. 25-31 requesting recovery of \$20.0 million (exclusive of interest costs) for 2024 wildfire mitigation O&M

costs. On January 30, 2026, the Commission found good cause to investigate the propriety and reasonableness of the tariff sheets for up to five months from February 23, 2026.¹ On February 13, 2026, PGE and Staff (stipulating parties) filed a stipulation with joint supporting testimony. The stipulation is attached as Appendix A.

III. STIPULATION

The stipulating parties agree that PGE will remove \$12,154 from its requested \$20.0 million 2024 wildfire mitigation O&M costs. The stipulating parties agree to a requested May 1, 2026 rate effective date with a one-year amortization period. The stipulating parties explain that the May 1, 2026 rate effective date saves customers approximately \$224,000 in interest compared with the original July 1, 2026 requested rate effective date.

The stipulating parties agree that the stipulation is in the public interest and will result in rates that are fair, just, and reasonable. The stipulating parties recommend and request that the Commission approve the stipulation in its entirety as an appropriate and reasonable resolution of the issues presented in these proceedings.

IV. 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 with sufficient opportunity on the record to present evidence and argument to support the stipulation. In reviewing a stipulation, we review to determine whether the overall result of the stipulation 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.

¹ Order No. 26-027 (Jan. 30, 2026).

Here, we have reviewed PGE’s original filings, the stipulation, and supporting testimony and we adopt this stipulation as a reasonable resolution of the issues raised by the parties regarding the PGE’s Wildfire Mitigation O&M costs for 2024. We find that the terms of the stipulation are supported by sufficient evidence, appropriately resolve issues in this proceeding, and will result in fair, just, and reasonable rates. We determine that the stipulation contributes to an overall settlement in the public interest. Accordingly, we adopt the stipulation in its entirety.

In adopting the stipulation to implement PGE’s WMP AAC, we stated that we would “inquire into whether the AACs have allowed us adequate opportunity to review prudence and reasonableness, which requires us to determine whether utilities have sufficiently disciplined and optimized wildfire mitigation spending” in three years’ time.² We look forward to the continued evolution of the WMP AAC, as spending discipline and optimization continue to be essential. The maturing WMPs, including the risk-spend efficiency analysis and data templates, lay a valuable foundation for our future review of the prudence and reasonableness of costs in the AAC.

V. ORDER

IT IS ORDERED that:

1. The stipulation between Portland General Electric Company and Staff of the Public Utility Commission of Oregon, filed February 13, 2026, attached as Appendix A, is adopted.
2. Advice No. 25-31, filed on January 22, 2026, is permanently suspended.
3. Portland General Electric Company shall file revised schedules consistent with the directives of this order for effect on May 1, 2026.

² *In the Matter of PacifiCorp, dba Pacific Power, Application for Approval of an Automatic Adjustment Clause for Recovery of Costs Associated with the Company’s Wildfire Protection Plan*, Docket No. UE 407, Order No. 23-173 at 1 (May 10, 2023).

4. In its compliance filing, the company is directed to provide detailed rate impacts for the adjustment authorized in this order as well as the combined rate impacts for all rate adjustments to be effective on May 1, 2026. All rate impacts should be expressed relative to current overall rates, both in dollar and percentage terms. For the individual and combined rate impacts, the company is directed provide average residential customer bill impacts, identifying the associated level of usage.

Made, entered, and effective Mar 18 2026.



Letha Tawney
Chair



Les Perkins
Commissioner



Karin Power
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.

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STIPULATION

This Stipulation (“Stipulation”) is entered into by and between, Staff of the Public Utility Commission of Oregon (“Staff”) and Portland General Electric Company (“PGE”) (collectively, the "Stipulating Parties"). The only parties in this case are Staff and PGE.

PGE made its initial application in this case on October 17, 2025, Advice No. 25-31, requesting recovery of costs, yet to be authorized for recovery, associated with the 2024 and 2025 Wildfire Mitigation O&M expenses. PGE requested a one-year amortization period beginning June 1, 2026, and submitted PGE Exhibit 100 in support of the requested cost recovery. The initial application included a request for recovery of prudently incurred expenses of \$20.0 million (exclusive of interest costs) of vegetation management related to 2024 O&M amounts yet to be authorized as identified in Public Utility Commission of Oregon (“Commission” or “OPUC”) Order No. 24-251.¹ PGE also requested recovery of yet to be authorized and remaining prospective 2025 O&M amounts of \$12.0 million, in accordance with the Wildfire Mitigation AAC approved by Commission Order No. 23-173.²

¹ PGE/100, Ferchland-Cloud/1.

² *Id.*

The Stipulating Parties discussed the initial application multiple times during December 2025 and early January 2026, resulting in agreement that PGE would provide a supplemental filing modifying the original request to remove recovery of all prospective 2025 O&M amounts and to file a future request for the remaining unrecovered 2025 amounts.³ PGE filed a Motion to Amend Application and Adopt Proposed Procedural Schedule and a Supplemental Application consistent with that agreement on January 22, 2026. Administrative Law Judge Mellgren accepted PGE's revised filing and amended the docket caption in a ruling issued January 28, 2026.

The Stipulating Parties held a settlement discussion on January 29, 2026. At that settlement conference, the Stipulating Parties reached an agreement that they found reasonable for settlement. The Stipulation reached on January 29, 2026, resolves all issues raised by the parties. The terms of the settlement reached at the January 29, 2026, settlement conference are described below.

TERMS OF STIPULATION

1. This Stipulation resolves all issues in UE 461, as provided in the initial application, as modified by agreement and the supplemental application.
2. PGE will remove O&M expenses totaling \$12,154 associated with 2024 O&M expenses.
3. The Stipulating Parties also agreed to target a revised May 1, 2026, rate effective date for recovery of the 2024 O&M amounts pending adoption by the Commission of this stipulation. This saves customers approximately \$224K in interest compared with a July 1 effective date
4. PGE will file updated tariff sheets and workpapers to reflect the lower 2024 O&M amount and the resulting interest charges associated with the agreed upon rate effective date.

³ PGE/200, Ferchland-Cloud/2.


5. The Stipulating Parties agree that this Stipulation is in the public interest and will result in rates that are fair, just, and reasonable and will meet the standard in ORS 756.040.
6. The Stipulating Parties recommend and request that the Commission approve this Stipulation as an appropriate and reasonable resolution of the issues in this docket.
7. This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR 860-001-0350(7). The Stipulating Parties agree to support this Stipulation throughout this proceeding and in any appeal, provide witnesses to support this Stipulation (if specifically required by the Commission), and recommend that the Commission issue an order adopting the terms contained herein.
8. By entering into this Stipulation, no Party shall be deemed to have approved, admitted or consented to the facts, principles, methods or theories employed by any other Party in arriving at the terms of this Stipulation.
9. Except as provided in this Stipulation, no Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in any other proceeding.
10. The Stipulating Parties agree that this Stipulation represents a compromise in the positions of the Stipulating Parties. Without the written consent of all 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, and conduct or statements made at settlement conferences, are confidential and not admissible in this or any subsequent proceeding, unless independently discoverable or offered for other purposes allowed under ORS 40.190.
11. The Stipulating Parties have negotiated this Stipulation as an integrated document. 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 Party reserves its right: (i) to withdraw from the Stipulation, upon written notice to the Commission and the other Parties within five (5) business days of service of the final order that rejects this Stipulation, in whole or material part, or adds such material condition; (ii) 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 (iii) 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 order. Nothing in this paragraph provides any Party the right to withdraw from this Stipulation as a result of the Commission's resolution of issues that this Stipulation does not resolve.

12. If this Stipulation is challenged, the Stipulating Parties agree that they will continue to support the Commission's adoption of the terms of this Stipulation.
13. The substantive terms of this Stipulation are not enforceable by any Stipulating Party unless and until adopted by the Commission in a final order. Each Stipulating Party avers that it is signing this Stipulation in good faith and that it intends to abide by the terms of this Stipulation unless and until this Stipulation is rejected or adopted only in part by the Commission.

14. 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. BJM

DATED: Feb 13, 2026


Angelica Espinosa (Feb 13, 2026 13:37:28 PST)

Angelica Espinosa
PORTLAND GENERAL ELECTRIC
COMPANY

DATED: Feb 13, 2026


Natascha Smith (Feb 13, 2026 15:51:04 PST)

Natascha Smith
Department of Justice for
STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON