ORDER NO. 26-296

ENTERED Aug 18 2026

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1103(23)

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY, Application for Reauthorization to Defer Intervenor Funding Costs.	ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on August 18, 2026, 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. CA6

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 18, 2026

REGULAR ____ **CONSENT** __X__ **EFFECTIVE DATE** __________N/A__________

DATE: August 12, 2026

TO: Public Utility Commission

FROM: Kathy Zarate

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

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. UM 1103(23))
Application for Reauthorization to Defer Costs Associated with Intervenor Funding Grants.

STAFF RECOMMENDATION:

Staff recommends that the Oregon Public Utility Commission (the Commission) approve Portland General Electric's (PGE or Company) request for reauthorization to defer costs related to Intervenor Funding Grants for the 12-month period beginning July 1, 2026.

DISCUSSION:

Issue

Whether the Commission should approve PGE's request for reauthorization to record and defer costs related to intervenor funding grants for the 12-month period beginning July 1, 2026.

Applicable Law

ORS 757. 072 authorizes a utility to enter funding agreements with organizations that represent broad customer interests in Commission proceedings. When a public utility provides financial assistance under a funding agreement, ORS 757.072(4) states that the Commission shall allow a public utility to defer inclusion of the funding provided in rates as provided in ORS 757.259. A deferral may be authorized under ORS 757.259(2) for a period not to exceed 12 months beginning on or after the date of application.

OAR 860-027-0300(3) requires the utility to provide certain information in an application for deferred accounting. This includes: a description of the expense or revenue for which deferral is requested, the basis for the request, the accounts proposed for recording the amounts to be deferred, an estimate of the amounts to be recorded in the deferred account, and a copy of the notice of the application for deferred accounting. OAR 860-027-0300(4) further specifies the requirements for an application for reauthorization of deferred accounting.

Analysis

Background
Commission Order No. 03-388 approved an Intervenor Funding Agreement (IFA), pursuant to the Intervenor Funding Act, between PGE, Pacific Power, Northwest Natural Gas Company, Northwest Industrial Gas Users, the Oregon Citizens' Utility Board (CUB), and Industrial Customers of Northwest Utilities (ICNU), dated February 3, 2003. This agreement specified the terms and conditions for intervenor funding grants, funding amounts to be contributed by each utility, and the payment of grants by utilities into three funds, which include the CUB Fund, the Pre-authorized Matching Fund, and the Issue Fund.

In Order No. 22-506, the Commission approved the Fifth Amendment, which supersedes and replaces all previous IFA orders. The Fifth Agreement continues the three funds from which intervenor funding grants can be made while adding a separate account for the Issue Fund called the Case-Certified Account. This new account will ensure that a minimum level of funding will be available for case-certified entities even when an Issue Fund account might otherwise be depleted.

In addition, House Bill (HB) 2475 was enacted into state law on September 25, 2021, and took effect on January 1, 2022. Section 3 of HB 2475 amended ORS 757.072 to allow for intervenor funding for environmental justice and low-income organizations with the total aggregate financial assistance to all organizations that represent low-income residential customers and/or residential customers that are members of environmental justice communities not to exceed $500,000 annually.

The Commission also approved a justice funding agreement (JFA) for environmental justice and low-income organizations consistent with HB 2475, through Order No. 23-033, further extended that JFA through December 2025 through Order No. 24-337, and approved a new JFA that succeeded and replaced the prior JFA through Order No. 25-

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409. Cost recovery and any associated deferral of any intervenor funding made available under the JFA are authorized by Order No. 25 409.[1]

Description of the Expenses
The Company seeks reauthorization to continue recording, in a deferred account, all amounts it is required to pay through the CUB Fund, the Pre-authorized Matching Fund, the Issue Fund (General Account and Case-Certified Account), and the JFA.

Proposed Accounting
The Company will continue recording all deferred costs in FERC Account 182.3, Other Regulatory Assets, with credit to FERC Account 456, Other Revenue.

Reasons for Deferral
The Company has been deferring funds pursuant to the IFA since 2003, and the latest Commission Order No. 25-225, is about to expire. PGE will continue to incur IFA expenses until December 31, 2027, pursuant to the Fifth Amended and Restated IFA, approved by the Commission through Order No. 22-506

Estimate of Amounts
The Company `provides the table showing amounts to be deferred in the table below:

Funds and Amounts to be Deferred

Fund	Amounts to be Deferred
CUB Fund	$127,077
Pre-Authorized Matching Fund	$87,142
Issue Fund (General Account)	$305,226
Issue Fund (Case-Certified Account)	$0
JFA Pre-Certification Fund	$126,[illegible]31
JFA Case Fund	$0

Information Related to Future Amortization

- Earnings Review – None required. The deferral is made in accordance with Commission Order Nos. 03-388, 22-506, 22-043, and 25-409, which state that the Commission shall allow the Participating Public Utilities to recover in rates all amounts paid for intervenor funding made available under the IFA (as amended) and JFA. If a Participating Public Utility seeks rate recovery through a deferred account, the account and amortization of the account shall be exempt from the

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[1] *See*, Commission rule adopted pursuant to Order No. 23-137 (AR 652, OAR 860-001 0900).

amortization caps and earnings test set forth in subsections 5, 6, 7, 8 and 10 of ORS 757.259. The IFA's term was renewed through Commission Order No. 22-506 and expires in December 2027. The JFA's term was created through Commission Order No. 25-409 and expires in December 2030.

- Prudence – None required.

- Sharing – Intervenor funding costs are not subject to a sharing mechanism.

- Rate Spread/Rate Design – Rates will be apportioned to the appropriate customer classes.

- Three Percent Test – The three percent does not apply to amortization of this deferral.

Conclusion

Staff find that the reason for the deferral costs, related to intervenor funding grants, is still valid.

Therefore, Staff recommends the Commission approve PGE's application for reauthorization to record and defer costs associated with Intervenor Funding Grants.

Approval of PGE's application does not authorize a change in PGE's rates but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.[2]

The Company has reviewed this memo and agrees with its contents.

PROPOSED COMMISSION MOTION:

Approve PGE's Application to defer the costs associated with Intervenor funding grants for the 12-month period beginning July 1, 2026.

[2] *See*, OPUC Docket Nos. UM 1103 and UE 435.