



Office of Mayor Ted Wheeler
City of Portland

August 27, 2024

Oregon Public Utility Commission
201 High St. SE, Suite 100
Salem, OR 97301

Subject: Urgent Call to Reconsider Proposed Utility Rate Increases (UE 435, PGE Request For A General Rate Revision)

Dear Chair Decker and Commissioners Perkins and Tawney,

As Mayor of Portland, I am writing to express the City of Portland's concerns regarding the proposed utility rate increase submitted by Portland General Electric. This proposal places an undue burden on Portland's residents, particularly our most vulnerable populations, as well as adding significant new costs for the City of Portland at a time when budget cuts are already impacting city services.

Residential ratepayers, already strained, face disproportionate increases that impact low-income residential ratepayers the most. Our analysis has determined these increases would significantly impact not only individual ratepayers but also the fiscal health of our city. If the filed rate increases take effect, they will be on top of steady utility rate increases since 2022 totaling nearly \$4 million for the City of Portland. And the city's declining revenue is projected to require budget cuts equal or greater than last year. The functional result is a Peter robbing Paul scenario, where city services will be lost to cover yet more utility increases.

We recognize the necessity of infrastructure investments in upgrades and resilience efforts. However, the timing and scale of these investments must be carefully considered to minimize their financial impact on our community. The proposed rate increases by PGE of 10.9% to go into effect in 2025 follows a rate increase of 18% that recently went into effect in January of 2024. PGE's residential rates have gone up more than 40% since 2021. Most alarming following these rate increases, we have observed a distressing rise in utility disconnections, with PGE reporting the highest number since records began in 2018.

Given the critical nature of this issue and its potential impacts, it is crucial that the decision-making process incorporates the broad implications of these increases on the economic wellbeing of our community.

We urge the Commission to consider these points carefully and to work with us to find a balanced approach that supports necessary infrastructure improvements without placing an undue burden on

ratepayers. We value increased engagement to understand pressures facing the utility, and collaborative work to address issues that impact our community.

Thank you for your attention to this matter. I look forward to a continued dialogue and to finding solutions that uphold the interests of all Portlanders.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ted Wheeler', is written over a horizontal line. The signature is stylized and cursive.

Mayor Ted Wheeler