March 4, 2026

Docket No. AR 676
Rulemaking to Establish Multi-Year Plan Framework

Written Comment Opportunity
Submissions requested by March 16, 2026.

Context

On February 27, 2026, OPUC—with facilitation support from the Great Plains Institute—hosted the third workshop in its ratemaking framework process (AR 676, Rulemaking to Establish Multi-Year Plan Framework). This followed a comment period ending February 20, 2026.

Staff distilled the following key takeaways from input shared in the comment period and at the February 27, 2026 workshop (a summary of the workshop whiteboard exercise is in **Attachment 1**):

Common ground

- Stakeholders frequently identified elements of Oregon's existing ratemaking structure that work well and provide important safeguards within the regulatory system, including:
  - Adjustment mechanisms that address volatile costs (e.g., PCAM, PGA)
  - Structured and inclusive stakeholder engagement and settlement processes
  - Streamlined proceedings (e.g., consent agenda items and process; non-contested collaboration spaces)
  - Intervenor funding and broad participation
  - Bill discounts and energy assistance programs
- Stakeholders broadly supported identifying and defining clear goals and outcomes before selecting metrics or incentives.
- Reliability, affordability, and transparency remain core and consistent priorities across groups.
- Stakeholders are interested in seeing more efforts to streamline; e.g., a reduction in duplicative requirements and complex processes.
  - Rounds of testimony
  - Reporting
  - Planning processes

Opportunities for enhancement

- Shared interest in improving regulatory efficiency and process clarity, while views differ on how this should be accomplished; components with mixed perspectives include:
  - Earnings test
  - Prudency review and discovery in general rate cases
  - Automatic adjustment clauses and trackers
- Stakeholders frequently reference affordability concerns, though framed differently:
  - Managing system costs, rate pressure and customer energy burden
  - Predictable and stable rates
- Stakeholders showed interest in improving system efficiency and maximizing value of existing assets through demand response, while others were concerned about the cost efficiency of demand response programs.

- Stakeholders expressed interest in mechanisms that mitigate utility ownership and capital bias.
    - Defining: high-value service; affordability
    - Understanding expectations for performance (e.g., reducing disconnections; energy efficiency/weatherization offerings; public-interest investments)
- Broad interest and concerns in balancing risk between utility and customers; opportunities to better understand the relationship between risk and cost recovery structure(s)
    - Sharing
    - Deadbands
    - Regulatory lag
    - Predictability
    - ROE
    - Incentives
- Stakeholders seem to agree that Oregon has strong policy direction and clear structural support for clean energy goals; however, stakeholders expressed interest in better understanding:
    - Alignment with utility spending
    - Clarity on regulatory levers
    - Pace of related processes/development
- Broad appreciation for data tracking, customer segment analysis and reporting; differences around sufficiency (and efficiency) of current requirements

Staff synthesis
Several elements of Oregon's regulatory framework are functioning well, particularly structures that support cost oversight, stakeholder participation and customer protections. At the same time, there are areas where regulatory processes have become layered, overly complex, or where expectations for utility performance may not always be explicit or properly aligned with cost recovery within our existing framework. Taken together, the feedback suggests that as we move into discussions of MRP and PBR design, an important next step is understanding the underlying purpose and value of the regulatory tools and how that should inform a future framework and design elements.

This written comment period provides an opportunity for interested parties to share additional feedback and perspectives informed by the workshop and in advance of Workshop #4, Exploration of MRP and PBR Design for Oregon.

Written Comment

As Staff prepares for Workshop 4: Exploration of MRP and PBR Design for Oregon, Staff respectfully requests additional input to clarify how stakeholders are considering priorities and goals in the new framework, the outcomes you believe regulatory tools should drive, and the practical considerations that should drive implementation. In addition to expanding and building upon feedback shared thus far, please consider sharing your perspectives in response to the following questions in advance of the next workshop:

1. Of the ratemaking mechanisms you identified in Workshop #3 as working well today, please explain why they work well and what outcomes or protections they provide that should remain important as the Commission explores MRP and PBR design.

2. In existing ratemaking structures in Oregon, what are the primary mechanisms or components that support **balanced timing and risk sharing for cost recovery** and why. In a possible MRP structure in the future, what mechanisms are most applicable for balancing timing and risk sharing for cost recovery?

3. Of the ratemaking structures discussed in Workshop #3, identify which **cost categories** are most in need of attention or where improved outcomes are achievable? What regulatory mechanisms govern those, and how would they need to change? Please relate this to identified outcomes that your organization suggests for priority attention.

Interested parties wishing to participate in this written comment period should file their submissions to the OPUC filing center under Docket No. AR 676 by March 16, 2026.

If you have any questions regarding this filing, please contact:

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Oregon Public Utility Commission

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Attachment 1: Workshop #3 Whiteboard Summary

Category	Strength	Pain Point	Listed Under Both
Balancing risk, investment needs, and rate impacts	• Recognizing the relationship between lag and Return on Equity • Sharing, deadbands, earnings tests in certain mechanisms • Efficient recovery of clean energy investments (Renewable Automatic Adjustment Clause [AAC])	• Clear and predictable ways to balance lag and pace of investment needed • More meaningful cost containment • Cost containment approaches that focus on more than the costs of customer and community-focused investments • Aligning cost recovery practices with more nimble, lighter touch procurement processes - and transmission	• Single issue ratemaking, deferrals • Cost caps associated with certain policy compliance costs • True-up mechanisms • Utility discretion over timing of rate cases
Having the information/bandwidth needed for a thoughtful cost recovery review	• Rigorous planning processes, carrying planning concerns through to cost recovery • Evaluation of alternatives • Standard approaches to setting O&M test year amounts • Energy burden assessments	• Tools for balancing need and cost containment in grid investments ▪ Difficult to review so many smaller distribution projects ▪ More tools to contain costs in big spending categories like distribution ▪ Better tools to assess wildfire mitigation spending levels - particularly with the forecast/true up approach in wildfire AACs	
Values/outcomes	• Recognizing differential burdens • Least cost compliance mechanisms	• Reducing capital bias • Reducing ownership bias (generation), can't earn on Power Purchase Agreement (PPA) • Proactively reducing energy burden - reducing disconnections, targeting energy efficiency • Reducing DER delays • Customer trust and satisfaction • Electrification incentives, cost recovery frameworks for natural gas	• Incentives for efficient use of the system, asset utilization

Procedural	• Procedural equity, intervenor funding • Collaborative/open process, settlement, accessible Staff • Using the consent agenda for smaller approvals	• Consolidating rates proceedings • Engagement prior to filings, outside of rate cases - good, can be better • More weight to community testimony • Reduce the rounds of testimony in rate cases (3 rounds)	
Other/out of scope	• Strong policy landscape - emissions reduction, Community Based Renewable Energy projects (CBRE), large load protections	• Streamline other regulatory frameworks e.g., reporting, planning processes • Joint planning, electrification value stack, fuel-neutral incentives • Clarity on the cost of policy non-compliance • Lack of funding for customer and community sited investments • Recognizing that safe, reliable, clean, and affordable might not be possible at the same time.	
Need more information - these were listed as working well in the current framework - what is it about them that is working well, what should the new MRP framework preserve?	• Bill discount programs • Prudence review • Single issue rate mechanisms that "align utility incentives" • Power cost filings • Energy Trust of Oregon (ETO) multi-year rate plans and funding mechanisms		