



# Oregon Citizens' Utility Board

610 SW Broadway, Suite 400  
Portland, OR 97205

(503) 227-1984  
[www.oregoncub.org](http://www.oregoncub.org)

September 16, 2024

## *Via Electronic Filing*

Public Utility Commission of Oregon  
201 High St SE, Suite 100  
Salem, Oregon 97301-3398  
[puc.filingcenter@puc.oregon.gov](mailto:puc.filingcenter@puc.oregon.gov)

### **Re: Docket No. UE 435 –Errata Oregon Citizens' Utility Board Rebuttal Testimony of Bob Jenks**

The Oregon Citizens' Utility Board (CUB) files these errata to the Rebuttal Testimony of CUB Witness Bob Jenks. Also enclosed is a redline version of the testimony with these corrections identified.

The errata to UE 435/CUB/400 Jenks at 2, 3, 6, and 7 corrects the proposed rate increase related to the addition of PGE's Seaside battery project, as shown below, from a 1.6% increase to a 1.27% increase to reflect application of ITCs and PGE's proposed 9.65% ROE.

General rate case (January)	6.30%
Power cost case (January)	3.10%
Seaside Battery Project (June)	1.27%
January 1, 2025 Increase	9.40%
January and June 2025 Total increase	10.67%

Please contact me if you have any questions.

Respectfully submitted,  
/s/ Claire Valentine-Fossum

Claire Valentine-Fossum, VT# 6260  
(admitted *pro hac vice*)  
Staff Attorney  
Oregon Citizens' Utility Board  
610 SW Broadway, Ste. 400  
Portland, OR 97205  
T: 503.227.1984  
E: [claire@oregoncub.org](mailto:claire@oregoncub.org)

- Budget processes
- Regulatory Process
  - Purpose of a Test Year
  - Base for a Test Year
  - Balancing customer and shareholder interests
- Management of Capital Spending
  - Capital Forecast
  - Management of Capital Spending
- Rate Shock and the PUC Staff Rate Cap Proposal
- Multi-year rate cases.

## II. AFFORDABILITY

**Q. You raised concerns about PGE’s affordability in Opening Testimony. After updates to this case and net power costs, do you still have concerns?**

**A.** My concerns have only grown. Customers are now facing a larger increase next January than they were when this case was filed. The combination of this general rate case (GRC) and net power costs is projected to raise rates by 9.4% next January, and 10.74% overall in 2025 (including the mid-year addition of Seaside), as depicted in Figure 1 below.

**Figure 1**

General rate case	6.30% <sup>1</sup>
power cost case	3.10% <sup>2</sup>
Seaside	1.2760% <sup>3</sup>
January 1 Total	9.40%
January and June 2025	10.671.00%

<sup>1</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.

<sup>2</sup> UE 436 – Initial Filing, February 29, 2024, Update, April 1, 2024, Update, July 15, 2024.

<sup>3</sup> UE 435 – PGE 500/29 shows 2025 revenue requirement associated with Seaside; CUB adjusted this for ITCs and PGE’s proposed 9.65% ROE; UE 435 – PGE 902/1 shows the current revenue requirement.

1 **Q. What’s wrong with the way PGE has presented its rate increase in Reply**  
2 **Testimony?**

3 **A.** As discussed in more detail below, PGE Reply Testimony proposes to increase rates  
4 6.3%.<sup>4</sup> At first, this looks like a decrease from the initial ask of 7.3%.<sup>5</sup> This number  
5 is misleading however, because it leaves out two critical components that will  
6 increase rates in 2025: the net power cost and the mid-year addition of Seaside  
7 Battery Storage. If we include these components rates will increase by an additional  
8 ~~10.74.9%~~ -- on top of the 18% increase earlier this year. Customers pay the total  
9 amount, so we need to discuss rates in total, not piecemeal. In addition, in PGE’s  
10 case summary in Opening Testimony, PGE provided the combined January 2025  
11 increase for the GRC, the net power cost case, and some additional schedules. In its  
12 Reply Testimony, PGE is only including the GRC in its case summary. This allows  
13 PGE to show a smaller increase than it proposed in its Initial Filing in February  
14 2024, but this is misleading because power costs have increased in the interim and  
15 customers are facing a larger increase next January than they had been facing last  
16 February.

17 **Q. Has PGE responded to the affordability concerns?**

18 **A.** Not meaningfully. In Reply Testimony, PGE did reduce its requested rate increase  
19 in this GRC by \$18 million,<sup>6</sup> but that reduction was more than offset by its updates  
20 to its net power cost forecast. PGE “genuinely acknowledged” “the difficulties” that  
21 its dramatic rate hikes have caused to customers,<sup>7</sup> but beyond this, its approach

---

<sup>4</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.

<sup>5</sup> UE 435 – PGE/200/ Batzler - Ferchland/2.

<sup>6</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.

<sup>7</sup> *Id.* at 4.

1           • PGE withholds information that does not present it in a favorable light.

2           **A. Transparency about Rate Increase.**

3           **Q. What is the rate increase that PGE is proposing?**

4           **A.** While PGE has a number of schedules that it typically adjusts in January, the  
 5           primary components that affect customer rates are the General Rate Case (GRC)  
 6           increase and the increase associated with Net Power Costs (NPC). The GRC  
 7           request that PGE is making has two components: a January 2025 increase and a  
 8           second increase mid-year 2025 associated with the online date of its Seaside battery  
 9           project. Below are how these three components were forecast in February 2024 in  
 10          PGE’s Opening Testimony and how these three components look today.

11          **Figure 3**

	<b>2/29/2024</b>	<b>Today</b>
<b>GRC (January 1, 2025)</b>	6.90% <sup>10</sup>	6.30% <sup>11</sup>
<b>GRC -- Seaside (June, 2025)</b>	1.60% <sup>12</sup>	1.27 <sup>13</sup> <del>60</del> %
<b>NPC</b>	1.00% <sup>14</sup>	3.10% <sup>15</sup>
<b>Total</b>	<b>9.50%</b>	<b>10.67%<del>11.00%</del></b>

12

13          **Q. How does that relate to transparency**

14          **A.** In its Opening Testimony, PGE included the January 2025 GRC increase, the  
 15          January 2025 NPC increase, and Schedule 123 (decoupling) and Schedule 126

<sup>10</sup> UE 435 – PGE, Response to Bench Request, May 1, 2024.

<sup>11</sup> UE 435 – PGE/1000/ Ferchland - Liddle/8

<sup>12</sup> UE 435 – PGE 500/29 shows 2025 revenue requirement associated with Seaside; UE 435 – PGE 902/1 shows the current revenue requirement.

<sup>13</sup> UE 435 – PGE 500/29 shows 2025 revenue requirement associated with Seaside; CUB adjusted this for ITCs and PGE’s proposed 9.65% ROE; UE 435 – PGE 902/1 shows the current revenue requirement.

<sup>14</sup> UE 435 – PGE, Response to Bench Request, May 1, 2024.

<sup>15</sup> *Id.* and UE 436 – PGE July Update.

1 (power cost variance),<sup>16</sup> which when combined amounted to a 7.4% increase, but  
2 did not disclose its Seaside increase. Schedules 123 and 126 have current charges  
3 this year, but will not next year, so they combine to decrease rates by 0.7% in  
4 January 2025.<sup>17</sup> In its summary of the case in Reply Testimony, PGE discusses how  
5 it lowered its request from Opening Testimony: “This reduced the total price  
6 change for 2025 by 0.6%, lowering the request in this filing to 6.3%.”<sup>18</sup> But PGE  
7 fails to mention that this is a different set of updates than its original forecast of  
8 7.4% in its Initial Filing in February this year, that its NPC forecasts have risen  
9 during this time period, and that the overall projected January 2025 increase is now  
10 higher than it was in Opening Testimony. In both its Initial Filing and in its Reply  
11 Testimony, PGE fails to include the rate increase it is proposing in June 2025 for  
12 Seaside. Reading the summaries of each case would suggest that PGE has reduced  
13 its requested rate increase from 7.4% to 6.3%. But this is not true. Overall, PGE is  
14 asking the Oregon Public Utility Commission (PUC) to approve higher rates than  
15 suggested by its Initial Filing.

16 At the same time, by not including the rate effect of Seaside, neither  
17 projection accurately reflects the rate increase associated with PGE’s request in this  
18 case. PGE’s Initial Filing actually reflected a 9.5% increase, and its current forecast  
19 reflects an ~~10.674.0~~ 10.674.0% forecast.

20 **Q. What is wrong with the price forecast in Reply Testimony?**

---

<sup>16</sup> To arrive at the 7.4% figure cited by the Company, it would include the GRC, NVP, decoupling, the PCAM, and Oregon Corporate Activity Tax Recovery, see UE 435, PGE – Response to Bench Request, May 1, 2024.

<sup>17</sup> UE 435 – PGE Response to Bench Request, May 1, 2024.

<sup>18</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.

- Budget processes
- Regulatory Process
  - Purpose of a Test Year
  - Base for a Test Year
  - Balancing customer and shareholder interests
- Management of Capital Spending
  - Capital Forecast
  - Management of Capital Spending
- Rate Shock and the PUC Staff Rate Cap Proposal
- Multi-year rate cases.

## II. AFFORDABILITY

**Q. You raised concerns about PGE’s affordability in Opening Testimony. After updates to this case and net power costs, do you still have concerns?**

**A.** My concerns have only grown. Customers are now facing a larger increase next January than they were when this case was filed. The combination of this general rate case (GRC) and net power costs is projected to raise rates by 9.4% next January, and 10.7% overall in 2025 (including the mid-year addition of Seaside), as depicted in Figure 1 below.

**Figure 1**

<b>General rate case</b>	<b>6.30%<sup>1</sup></b>
<b>power cost case</b>	<b>3.10%<sup>2</sup></b>
<b>Seaside</b>	<b>1.27%<sup>3</sup></b>
<b>January 1 Total</b>	<b>9.40%</b>
<b>January and June 2025</b>	<b>10.67%</b>

<sup>1</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.

<sup>2</sup> UE 436 – Initial Filing, February 29, 2024, Update, April 1, 2024, Update, July 15, 2024.

<sup>3</sup> UE 435 – PGE 500/29 shows 2025 revenue requirement associated with Seaside; CUB adjusted this for ITCs and PGE’s proposed 9.65% ROE; UE 435 – PGE 902/1 shows the current revenue requirement.

1 **Q. What’s wrong with the way PGE has presented its rate increase in Reply**  
2 **Testimony?**

3 **A.** As discussed in more detail below, PGE Reply Testimony proposes to increase rates  
4 6.3%.<sup>4</sup> At first, this looks like a decrease from the initial ask of 7.3%.<sup>5</sup> This number  
5 is misleading however, because it leaves out two critical components that will  
6 increase rates in 2025: the net power cost and the mid-year addition of Seaside  
7 Battery Storage. If we include these components rates will increase by an additional  
8 10.7.% -- on top of the 18% increase earlier this year. Customers pay the total  
9 amount, so we need to discuss rates in total, not piecemeal. In addition, in PGE’s  
10 case summary in Opening Testimony, PGE provided the combined January 2025  
11 increase for the GRC, the net power cost case, and some additional schedules. In its  
12 Reply Testimony, PGE is only including the GRC in its case summary. This allows  
13 PGE to show a smaller increase than it proposed in its Initial Filing in February  
14 2024, but this is misleading because power costs have increased in the interim and  
15 customers are facing a larger increase next January than they had been facing last  
16 February.

17 **Q. Has PGE responded to the affordability concerns?**

18 **A.** Not meaningfully. In Reply Testimony, PGE did reduce its requested rate increase  
19 in this GRC by \$18 million,<sup>6</sup> but that reduction was more than offset by its updates  
20 to its net power cost forecast. PGE “genuinely acknowledged” “the difficulties” that  
21 its dramatic rate hikes have caused to customers,<sup>7</sup> but beyond this, its approach

---

<sup>4</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.

<sup>5</sup> UE 435 – PGE/200/ Batzler - Ferchland/2.

<sup>6</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.

<sup>7</sup> *Id.* at 4.

- PGE withholds information that does not present it in a favorable light.

**A. Transparency about Rate Increase.**

**Q. What is the rate increase that PGE is proposing?**

**A.** While PGE has a number of schedules that it typically adjusts in January, the primary components that affect customer rates are the General Rate Case (GRC) increase and the increase associated with Net Power Costs (NPC). The GRC request that PGE is making has two components: a January 2025 increase and a second increase mid-year 2025 associated with the online date of its Seaside battery project. Below are how these three components were forecast in February 2024 in PGE’s Opening Testimony and how these three components look today.

**Figure 3**

	<b>2/29/2024</b>	<b>Today</b>
<b>GRC (January 1, 2025)</b>	6.90% <sup>10</sup>	6.30% <sup>11</sup>
<b>GRC -- Seaside (June, 2025)</b>	1.60% <sup>12</sup>	1.27% <sup>13</sup>
<b>NPC</b>	1.00% <sup>14</sup>	3.10% <sup>15</sup>
<b>Total</b>	<b>9.50%</b>	<b>10.67%</b>

**Q. How does that relate to transparency**

**A.** In its Opening Testimony, PGE included the January 2025 GRC increase, the January 2025 NPC increase, and Schedule 123 (decoupling) and Schedule 126

<sup>10</sup> UE 435 – PGE, Response to Bench Request, May 1, 2024.

<sup>11</sup> UE 435 – PGE/1000/ Ferchland - Liddle/8

<sup>12</sup> UE 435 – PGE 500/29 shows 2025 revenue requirement associated with Seaside; UE 435 – PGE 902/1 shows the current revenue requirement.

<sup>13</sup> UE 435 – PGE 500/29 shows 2025 revenue requirement associated with Seaside; CUB adjusted this for ITCs and PGE’s proposed 9.65% ROE; UE 435 – PGE 902/1 shows the current revenue requirement.

<sup>14</sup> UE 435 – PGE, Response to Bench Request, May 1, 2024.

<sup>15</sup> *Id.* and UE 436 – PGE July Update.



1 (power cost variance),<sup>16</sup> which when combined amounted to a 7.4% increase, but  
2 did not disclose its Seaside increase. Schedules 123 and 126 have current charges  
3 this year, but will not next year, so they combine to decrease rates by 0.7% in  
4 January 2025.<sup>17</sup> In its summary of the case in Reply Testimony, PGE discusses how  
5 it lowered its request from Opening Testimony: “This reduced the total price  
6 change for 2025 by 0.6%, lowering the request in this filing to 6.3%.”<sup>18</sup> But PGE  
7 fails to mention that this is a different set of updates than its original forecast of  
8 7.4% in its Initial Filing in February this year, that its NPC forecasts have risen  
9 during this time period, and that the overall projected January 2025 increase is now  
10 higher than it was in Opening Testimony. In both its Initial Filing and in its Reply  
11 Testimony, PGE fails to include the rate increase it is proposing in June 2025 for  
12 Seaside. Reading the summaries of each case would suggest that PGE has reduced  
13 its requested rate increase from 7.4% to 6.3%. But this is not true. Overall, PGE is  
14 asking the Oregon Public Utility Commission (PUC) to approve higher rates than  
15 suggested by its Initial Filing.

16 At the same time, by not including the rate effect of Seaside, neither  
17 projection accurately reflects the rate increase associated with PGE’s request in this  
18 case. PGE’s Initial Filing actually reflected a 9.5% increase, and its current forecast  
19 reflects an 10.67.% forecast.

20 **Q. What is wrong with the price forecast in Reply Testimony?**

---

<sup>16</sup> To arrive at the 7.4% figure cited by the Company, it would include the GRC, NVP, decoupling, the PCAM, and Oregon Corporate Activity Tax Recovery, see UE 435, PGE – Response to Bench Request, May 1, 2024.

<sup>17</sup> UE 435 – PGE Response to Bench Request, May 1, 2024.

<sup>18</sup> UE 435 – PGE/1000/Ferchland - Liddle/8.