Portland General Electric
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July 31, 2026

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: Advice No. 26-31, Schedule 18 Income-Qualified Bill Discount and Schedule 118 Bill Adjustment Cost Recovery Mechanism Update

Portland General Electric Company submits this filing pursuant to Oregon Revised Statutes 757.205 and 757.210, and Oregon Administrative Rules 860-022-0025 and 860-022-0030, for filing proposed tariff sheets associated with Tariff P.U.C. No. 19, with a requested effective date of **October 1, 2026**:

Third Revision of Sheet No. 18-1
Second Revision of Sheet No. 18-2
Second Revision of Sheet No. 118-1

This filing updates Schedule 18 Income-Qualified Bill Discount (IQBD) and Schedule 118 Bill Adjustment Cost Recovery Mechanism outlined in Commission Order No. 25-411.

In Docket No. AR 671 and outlined in Order 25-411, investor-owned utilities in Oregon are required to establish and operate Arrearage or Bill Relief Programs specifically designed to support the most vulnerable residential customers. At a minimum, these programs must serve customers already enrolled in the utility's HB 2475 bill discount program, PGE's Income Qualified Bill Discount (IQBD), who earn between 0 and 15 percent of the Oregon State Median Income (SMI). PGE is required to file its formal program proposal by August 1, 2026.

Currently, PGE's IQBD program serves over 100,000 income eligible customers, providing monthly bill discounts between 15% and 80%. Net enrollment is expected to reach, conservatively, 110,000, or nearly 75% of the energy burden quantified in PGE's Energy Burden Assessment, by the end of 2026. The forecasted costs for the 12-month window ending in September 2027 are estimated at $73.9 million. Combined with an expected $3.2 million balance carryover from September 2026 reflecting one-time arrearage forgiveness disbursements in March 2026 (that were not included in the prior cost forecast and price development) and $0.2 million in interest and projected uncollected revenues, the full revenue requirement for Schedule 118 is $77.2 million PGE

between October 2026 and September 2027. At the current Schedule 118 price levels, PGE forecasts $76.4 million in revenue, leaving a $0.8[1] million-dollar shortfall.

Redline versions are included as a courtesy.

To satisfy the requirements of OARs 860-022-0025(2) and 860-022-0030, PGE provides the following responses:

PGE estimates that approximately 955,000 Customers will be impacted by this overall $0.8 million (less than 0.0%) increase in total revenues. Schedule 7 customers will see a $0.02 decrease, from $2.76 to $2.74, which is a 0.0% bill impact for the typical residential customer.

Work papers detailing the Schedule 118 price development and bill comparisons are enclosed.

Please direct questions to Jake Wise at jake.wise@pgn.com or Ashleigh Keene at ashleigh.keene@pgn.com and all formal correspondence and requests to pge.opuc.filings@pgn.com.

Sincerely,

\s\ *Jaki Ferchland*

Jaki Ferchland
Senior Manager, Rates and Regulatory Affairs
Pricing, Tariffs, and Power Costs

Enclosures
cc: AR 671

[1] $0.1 million discrepancy due to rounding.

PGE Advice No. 26-31
Schedule 18 Income-Qualified Bill Discount and Schedule 118 Bill Adjustment Cost Recovery Mechanism Update

Courtesy Redline of Schedules 18 & 118

SCHEDULE 18
INCOME-QUALIFIED BILL DISCOUNT - OPTIONAL

PROGRAM DESCRIPTION

This is an optional bill discount for Income-Qualified Residential customers and Non-Residential Customers that qualify under Special Condition 8 of this schedule. This discount is enabled by House Bill 2475, which modified ORS 757.230 to allow for differentiated rates on the basis of affordability factors. The Income-Qualified Bill Discount Program includes an Arrearage Management Program (AMP) for tier 1 and tier 2 customers.

AVAILABLE

In all territory served by the Company.

APPLICABLE

To Income-Qualified Residential Customers with gross household income at or below 60% of Oregon State Median Income (SMI), adjusted for household size. For Customers in single-person households, eligibility is extended to those with gross household incomes up to the greater of 60% SMI or full-time wages at the Portland Metro minimum wage. Also applicable to Non-Residential Customers that qualify under Special Condition 8 of this schedule.

MONTHLY DISCOUNT

Monthly bill discounts are calculated as a percentage of bill. Residential Customer discounts are offered at five levels, based on the enrolled Customer's household income as a percentage of SMI.

Tier	Eligible Percent of SMI	Discount Percentage
A	0-5%	80%
B	6-15%	50%
C	16-30%	25%
D	31-45%	20%
E[1]	46-60%	15%

1. Tier E includes, for single-person households, customers with gross household incomes up to the greater of 60% SMI or full-time wages at the Portland Metro minimum wage.

Enrolled Customers with a verified Emergency Medical Certificate on their PGE account will be moved to the next highest discount level, if not already qualified for the highest discount level.

Discounts for Non-Residential Customer that qualify under Special Condition 8 will receive a 25% discount.

Bill discounts are applied prior to taxes and do not apply to Schedule 300 or optional charges.

SCHEDULE 18 (Concluded)

SPECIAL CONDITIONS

1. Program participants must be the accountholder.

2. Household size reflects all permanent residents in the home, including adults and children.

3. Qualifying income refers to total gross annual income, both taxable and nontaxable, from all sources for all persons in the applicant's household.

4. The discount applies only to bills associated with the Customer's permanent primary residence and only to new charges billed after enrollment.

5. PGE Customers who have qualified for the federal Low-Income Home Energy Assistance Program (LIHEAP) or the Oregon Energy Assistance Program (OEAP) and not already enrolled will be automatically enrolled or their discount level will be updated into the appropriate tier if already enrolled. Those who also have a verified Emergency Medical Certificate on their PGE account will automatically be enrolled into the next highest tier, unless they are already eligible for Tier A. Customers who do not wish to receive the discount can contact PGE to be unenrolled.

6. Customers not otherwise automatically enrolled may participate in the program after the approval of an application that includes a declaration of household size and income. Applications can be submitted directly by the Customer or a third-party on behalf of the Customer. Re-enrollment will be required every two years.

7. PGE will require post-enrollment verification of need of no more than 3% of annually enrolled Customers. Those identified for post-enrollment verification will be selected by PGE from participants who were not automatically enrolled or re-enrolled based on their verified eligibility for LIHEAP/OEAP. Customers selected must verify eligibility to continue receiving this discount. If a Customer's discount is discontinued due to non-responsiveness or ineligibility, they may re-enroll upon providing verification of eligibility. Customers who were automatically enrolled based on LIHEAP or OEAP eligibility are exempt from post-enrollment verification.

8. The Non-Residential discount is available for master-metered buildings consisting of individual residential units, served under a Non-Residential rate schedule and meeting the following criteria:
    a. At least 50% or greater of the dwelling units are dedicated to occupants whose income is at 60% or less of state median income;
    b. Must qualify as affordable housing with Oregon Housing and Community Services as defined in OAR 330-240-0070(1); and
    c. The master-metered customer must attest that it will pass its monthly bill discount back to its low-income occupants on a proportional basis.

9. The Arrearage Management Program (AMP) provides up to $500 annually for qualifying customers. The program year is October 1 through September 30.

SCHEDULE 118
BILL ADJUSTMENT
COST RECOVERY MECHANISM

PURPOSE

The purpose of this schedule is to recover the costs associated with PGE's Income-Qualified Bill Discount Program, inclusive of costs to administer the Arrearage Management Program (AMP), an offering to eligible Residential and Non-Residential Customers designed to increase bill affordability (operationalized in Schedule 18). This discount is enabled by House Bill 2475 (2021 regular session), which calls for differentiated rates for "low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers." This adjustment schedule is implemented as an automatic adjustment clause as provided for in ORS 757.210.

APPLICABLE

To all bills for Electricity Service.

ADJUSTMENT RATES

The applicable Adjustment Rates are listed below. The rate for non-Residential schedules is applied to the first 20,000,000 kWh per month per Site.

Schedules	Adjustment Rate
7	$2.74 per bill
Non-Residential Schedules	0.361¢ per kWh

PGE Advice No. 26-31
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Attachment

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Attachment

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: UM 2211 Arrearage Management Program Related to Order 25-411 on AR 671

Portland General Electric Company (PGE) respectfully submits this attachment in response to the Public Utility Commission of Oregon (OPUC or Commission) related to the development of an Arrearage Management Program (AMP). In this addendum PGE describes AMP proposal elements relative to Staff program design criteria, details the engagement conducted and feedback heard and integrated into the proposal, and calls attention to the need for evaluation of the portfolio of affordability policy levers, inclusive of the AMP.

I. Introduction

As required by Order 25-411 issued in Docket No. AR 671, investor-owned utilities in Oregon must establish and operate Arrearage or Bill Relief Programs specifically designed to support the most vulnerable residential customers. At a minimum, these programs must serve customers already enrolled in the utility's HB 2475 bill discount program, PGE's Income Qualified Bill Discount (IQBD), who earn between 0 and 15 percent of the Oregon State Median Income (SMI). In response, PGE respectfully submits this proposal for an AMP in advance of the August 1, 2026, filing deadline. The proposed AMP serves customers enrolled in PGE's IQBD program at Tier 1 and Tier 2 households earning between 0 and 15 percent of SMI and satisfies each element of Staff's program design criteria. Eligibility flows automatically from IQBD enrollment without additional documentation, and the program provides a $500 annual benefit per customer aligned to the October 1–September 30 LIHEAP and OEAP funding window, with no limit on the frequency of requests up to that cap. The design reflects six months of engagement with Commission Staff, stakeholders, and energy advocates, whose feedback PGE integrated directly into the final proposal. This addendum sets forth the proposal relative to Staff's criteria, summarizes that engagement, and addresses the need to evaluate the AMP within the broader portfolio of affordability policy levers

PGE's AMP proposal relative to OPUC program design criteria is provided in the following table.

OPUC Program Design Criteria	PGE Proposal Elements
Utilities are prohibited from requiring additional customer information or documentation for initial eligibility.	For the proposed AMP, participation is established by a customer's enrollment in PGE's IQBD Tier 1 or 2.
When payment arrangements are utilized, the utility must ensure that the customer's portion of the payment does not exceed their actual ability to pay. To facilitate this, utilities are required to work closely with Commission Staff and stakeholders to determine how to implement these affordability criteria effectively.	Over a six-month period, PGE facilitated three public workshops, presented to PGE's Community Benefits and Impacts Advisory Group (CBIAG) and invited written comment from parties. Consideration of a customer's ability to pay was addressed in the context of a payment match design, ultimately, informing a return to the initial design.
Utilities are to coordinate with the Energy Trust of Oregon (ETO) and other state or local energy assistance partners to develop streamlined processes for data sharing and customer referrals.	PGE has historically coordinated, and will continue to coordinate, with Energy Trust and Community Action Agencies to refer eligible customers to relevant bill assistance and bill reduction programs. PGE will continue to table community events with Energy Trust and the call center will route customers to existing offers.
Utilities are granted flexibility to set both benefit and reenrollment/ frequency limits and conduct post-enrollment verification for accounts not already verified by a recognized energy assistance partner.	For the proposed AMP PGE sets an annual cap of $500, for both IQBD Tier 1 and Tier 2, within a defined window, October 1 through September 30 to align with LIHEAP and OEAP annual funding allocation, and allows unlimited requests for grants up to the established annual cap.
To maintain transparency and allow for program improvements, utilities must convene with stakeholders at least once per program year to discuss performance and potential design adjustments.	PGE commits to engaging Staff and stakeholders on an annual basis to discuss the operational effectiveness of the AMP program.

II. How Engagement Shaped the Proposal

The proposed Arrearage Management Program (AMP) will serve as a complement to PGE's self-attested and therefore accessible and low-barrier IQBD. To date, PGE has successfully enrolled nearly 110,000 residential customers, over 75% of those deemed eligible by the 2024 Energy Burden Assessment in less than five years and rigorously verified eligibility via semi-annual third-party post enrollment and monthly state agency verification.

PGE worked closely with OPUC Staff and stakeholders to inform proposal development. PGE facilitated multiple public workshops with OPUC Staff and stakeholders and co-developed guiding principles for the AMP program design. Each subsequent workshop was then grounded to those guiding principles, namely, the program is designed to keep customers connected to utility service by preventing disconnections while linking households to broader support resources that address underlying affordability challenges. It emphasizes accessibility and simplicity, with low barriers to participation, quick application processes, and clear program design that is easy for both customers and advisors to understand. At the same time, the program seeks to balance meaningful customer assistance with reasonable cost impacts through efficient implementation and established cost-recovery mechanisms. Its overall goal is to reduce arrearages, fill gaps in the affordability ecosystem, and continuously improve customer engagement and outcomes through an iterative development process. A summary table of what PGE heard and what PGE did to integrate feedback is provided below.

Feedback Integration Summary Table

What PGE Heard	How PGE Integrated the Feedback
Maintain service continuity and prioritize avoiding disconnections.	AMP was designed around keeping customers connected to service, reducing arrears, and preventing disconnections through arrearage forgiveness and coordination with existing customer protections such as time payment arrangements (TPA).
Coordinate with existing energy assistance and energy efficiency resources.	The proposal incorporates referrals to community action agencies(CAAs) and Energy Trust programs. PGE also committed to continued coordination and future discussions with Energy Trust regarding AMP-based referrals.
Maintain existing IQBD discount tiers while adding AMP as a supplemental offering.	PGE retained the current IQBD structure and proposed AMP as an additional arrearage-relief program rather than replacing existing bill discounts.
Explore automatic enrollment or application triggers for customers	PGE designed the program to proactively identify eligible customers and market the program through multiple engagement

with arrears or pending disconnection.	channels but did not propose automatic enrollment.
Customers should demonstrate engagement or participation in order to receive assistance. Consider a payment-match model instead of direct grant assistance. Allow energy assistance payments to count toward any matching construct.	Stakeholders were open to matching, and PGE modeled several alternatives. Ultimately, PGE considered payment-match concepts intended to encourage engagement but concluded they would create unnecessary complexity and conflicted with ability-to-pay principles.
Affordability program principles should prioritize accessibility, simplicity, and meaningful assistance.	Stakeholders reached consensus on the guiding principles, which became the foundation of program development and informed subsequent design decisions.
Need to understand AMP impacts alongside other affordability protections and assistance programs.	PGE discussed AMP within the broader customer affordability framework, including increased assistance funding, customer protections, IQBD, and existing reporting mechanisms.

Workshop Detail

The AMP proposal has evolved in response to feedback and will continue to evolve in the years to come based on lessons learned. In workshop #1, held on March 12, 2026, PGE heard the following:

- Maintaining service continuity: Stakeholders emphasized prioritizing solutions that keep customers connected.

- Coordination with existing resources: Stakeholders demonstrated interest in improved collaboration with energy assistance and energy efficiency partners to leverage existing resources.

- Application pathways: Eligible customers should not be required to apply through county Community Action Agencies (CAAs) and should have alternative enrollment options.

- Program structure: Stakeholders supported maintaining current discount tiers while adding a supplemental AMP process.

- Automatic enrollment triggers: Stakeholders demonstrated interest in exploring automatic application or enrollment for customers with arrears or pending disconnection.

- Customer Engagement: Stakeholders sought improved engagement through payment requirements or qualification to take advantage of assistance.

It was also in the first workshop at which PGE offered the concept of payment match relative to direct assistance grants. It was discussed that matching may be helpful for those with the ability to make meaningful payments and/or overtime via extended matching programs. However, it was discussed that direct assistance may be easier for customers to understand and be a more effective mechanism to quickly prevent disconnection.

Additionally, in workshop #2, held on April 22, 2026, PGE heard the following:

- Affordability program principles: Stakeholders expressed consensus on PGE's proposed AMP program design principles.

- Impact of an AMP and other changes: Stakeholders stated a need to understand the AMP impact as well as other protections, increased energy assistance funding, etc.

- Open to matching: Stakeholders demonstrated interest in a matching component where energy assistance payments are also matched.

It was also in the second workshop in which PGE explored further the concept of payment match relative to direct assistance grants. PGE provided an alternative delivery method for stakeholder consideration. The alternative provided six months of matching relief or until past due balance is paid and demonstrated openness to matching that applies to energy assistance regardless of funding organization. Ultimately it became apparent that matching increased the complexity of the program for both customers and CAAs and did not align with the requirement to consider a customer's ability to pay, which ran counter to established guiding principles, so to be responsive, PGE eliminated that design element in the final proposal.

Some stakeholders have repeatedly advocated for AMP applicability to all IQBD tiers. PGE spoke to the guiding principle that seeks to balance meaningful customer assistance with reasonable cost impacts. Throughout, PGE has communicated that this program is one of many bill relief policy levers that will evolve in design and implementation.

In addition to public workshops, PGE presented the AMP proposal to PGE's Community Benefits and Impacts Advisory Group (CBIAG) on June 3, 2026. Some stakeholders advocated for sequencing bill assistance and arrearage grants such that dollars, all from utility ratepayers but administered by different entities, will maximize impact. Others called for specific AMP outcomes. Some outcomes offered in that venue included: avoided disconnects, average arrears, referral outcomes, rate of re-upping, and zip code-level trends. PGE shared that the now quarterly Energy Burden Metrics Report (EBMR) on RO 16 provides zip code-level detail which serves as a means for tracking and reporting on these and other outcomes. Also on May 6, 2026, PGE provided for policy advocates, CAAs, and CBOs, a tour of its Tualatin Call Center This onsite experience was designed to give energy advocates a practical understanding of how customer care operates and how affordability programs and customer protections are delivered in real customer interactions. Through transparency into operations, decision-making, and frontline

customer experiences, the visit aimed to build trust while connecting UM 2211 policy discussions to day-to-day implementation. By the end of the visit, participants obtained a better understanding of how customer interactions move across teams and systems, how affordability challenges are addressed in real time, and the operational opportunities and constraints that shape service delivery at the tour PGE responded to questions such as – how is empathy trained? How do you help advisors "wring out the sponge" (manage empathy fatigue)? Is there an expectation for the number of calls per day after a difficult call? How much goes into the design of advisor training? One attendee shared, "I found this session to be worthwhile and valuable."

In the third and final workshop held on June 18, 2026, PGE incorporated learnings and stakeholder requests from peer utility AMP proposals into the presentation discussed the variety of channels for engagement, provided operational clarity and entertained success metrics. In response to feedback PGE evolved its proposal from a rolling 12-month to a 12-month window that aligns with CAA bill assistance funding and places no limit on the frequency with which a customer may apply for forgiveness under the $500 annual cap.

Additionally, in response to workshop questions posed regarding TPAs and high usage, PGE offered the following operational clarity:

Scenario	How Might This Work?	Additional Detail
If a customer has arrears 31+ days past due of $250 and also has a TPA balance of $150.	The customer would receive $400 in arrearage forgiveness relief and would be eligible for an additional $100 during the annual timeframe. With the TPA then paid off, the customer would also be eligible to set up a new TPA if needed.	The available TPA option may also be renegotiated at least once. Setting up a new TPA or renegotiating a TPA provides the customer additional time and would stop any pending disconnection.
If a customer has high usage then PGE will refer them to participating agency partners.	PGE intends to refer the customer to CAAs for whole-house retrofits, weatherization and energy efficiency, and Energy Trust for home energy audits and energy efficiency incentives.	Energy Trust program participation is primarily Community Partner "no cost" home audit and heat pump, insulation and some heat pump water heaters.

PGE discussed referrals in the context of all engagement channels inclusive of coordination at the county-level and with Energy Trust on outreach (e.g., tabling at community events) and marketing campaigns. It was shared that marketing via phone, email, and mail often do not realize the uptake as effectively as outreach or call center support of IQBD enrollment and referral.

This engagement on the part of PGE's customer service team is complex and relationship based. While the Community Action Organization (CAO) of Washington County, Community Action Agency of Clackamas County, Mid-Willamette Valley Community Action Agency (MWVCAA) and Yamhill Community Action Partnership (YCAP) serve as both administrator and implementer of LIHEAP and OEAP funding alongside Oregon Energy Fund emergency assistance, the Multnomah County Department of County Human Services (CAA) contracts implementation to multiple organizations including Impact NW, IRCO, Metropolitan Family Service, NAYA, Human Solutions, Self Enhancement Inc., and other providers. However, with the aid of the PGE portal[2] customer service advisors can streamline access to counties and braid LIHEAP/OEAP with other non-OHCS managed funds including St. Vincent De Paul, Oregon Energy Fund, Oregon Department of Human Services (DHS), Health Related Social Needs (HRSN) and many others.

Lastly, PGE requested and received written comment on July 8, 2026. In comment, Energy Justice Advocates requested several clarifications and commitments. They sought clarification on whether the application of a grant to a TPA will be officially counted as a renegotiation and if grants might ever be auto-applied to accounts. At present, if a customer on a TPA receives energy assistance it will likely trigger a renegotiation to reflect an adjustment in the monthly amount for the remainder of TPA period. That is, the monthly adjustment will decrease to reflect the reset TPA balance. Applying a grant to a customer on a TPA will trigger the same renegotiation for the same reason. However, in OAR 860-021-0415 (5) it provides that a customer may renegotiate "at least one time" during the TPA period. Additionally, PGE will not auto-apply grants to TPAs because a renegotiation is by mutual consent. Parties also urged PGE to commit to extending TPAs to 24 months for both income-qualified and medical certificate customers to provide more manageable, long-term debt relief. Recall that in Docket No. UM 2114, the Investigation into the Effects of COVID, and subsequently, Order No. 22-214 on Docket No. AR 653, Rulemaking to Strengthen Customer Protections, that Staff removed the proposed extension of TPAs to 24 months, based on data received from data requests. Data indicated that for the most part, the lower the TPA duration, the higher the completion rate. In OAR 860-021-0415(4) the utility and customer may agree to alternate payment arrangements, "including time payment agreements of longer duration", so this optionality exists and PGE advisors are empowered to pursue alternates based on customer circumstance.

The advocates also request that PGE commits to a robust annual reporting supplement that tracks program metrics like tier-based usage and seasonal patterns. PGE agrees that annual reporting is necessary to gauge the operational effectiveness of the AMP as well as other policy levers. PGE observes that quarterly RO 16 reports do already provide zip-code level arrearage, disconnection, reconnection and usage information by IQBD tier.

The advocates further recommend that PGE track high-usage grant recipients to prioritize them for energy efficiency referrals and urge the company to eventually expand program eligibility to households in the 'energy assistance gap' (61–100% of the State Median Income), particularly those with medical certificates who remain vulnerable to

[2] https://agency.portlandgeneral.com/

accumulating unaffordable debt. PGE acknowledges the gap as defined with the 2024 PGE Energy Burden Assessment. However, it is also true that the AMP guiding principles seek to balance meaningful customer assistance with reasonable cost impacts. The AMP proposal is therefore designed to assist Tiers 1 and 2 initially and is expected to evolve based on lessons learned.

PGE intends to refer high usage IQBD customers, regardless of tier to participating agency partners and the Energy Trust as referenced above. It is worth noting that each month Energy Trust and PGE exchange data. Energy Trust provides PGE their Program Participant Information (PPI) inclusive of service address (including apartment, unit, or suite number), meter number and other point-of-delivery identification numbers, and information about electric efficiency program participation, such as measures installed since the inception of the Energy Trust's delivery of the efficiency programs. PGE provides Energy Trust Utility Customer Information (UCI), as directed by OAR 860-086-0030, inclusive of customer name, address, building type, business type, usage, meter number, premise ID, rate schedule, self-direct, and heat type. This data has been exchanged for nearly two decades. As of January 2025, as directed pursuant to OPUC Order No. 24-426, PGE includes an IQBD participation flag with UCI monthly transfers. Therefore, it is true that Energy Trust has the IQBD, usage, address, building and heat type information to inform focused and direct intervention for income-qualified customers, especially high-usage IQBD customers.

Joining these datasets, UCI and PPI, on a like premise, and analyzing this data over the past 18 months, January 2025 to June 2026, since the IQBD participation flag was included, yields the following insights:

- **All Usage/ Any Discount Tier**: For PGE customers enrolled in IQBD, regardless of usage, approximately 900 received a Community Partner Funded (CPF) No-Cost incentive from Energy Trust. However, the same incentives were also provided to over 1,700 PGE customers not enrolled in IQBD. Regardless, approximately 1,330 of those incentives went to home energy audits, 560 to heat pumps, 375 to insulation, 80 to heat pump water heaters, and the balance comprised of various measures. Of the 2,600 CPF No-Cost incentives delivered, 470 were braided with complementary funding from the Oregon Department of Energy (ODOE), Portland Clean Energy Fund (PCEF), Community Energy Project (CEP) and Verde.

- **High-Usage/ Any Discount Tier:** For PGE customers enrolled in IQBD, with usage > 2x the average residential usage of 740 kWh/ month, just 166 IQBD customers have received an Energy Trust incentive. That represents 2.5% of the approximately 6,500 IQBD customers with usage > 2x.

- **High-Usage/ High-Discount Tiers:** The number of IQBD Tier 1 and Tier 2 customers with > 2x usage is over 2,200. Of those 2,200, the overwhelming majority are 2-3x greater than average usage but there are some that have usage > 5x and up to 10x. Of those 2,200, almost 40 have received an Energy Trust incentive in 2025 and 2026.

As there are nearly 110,000 IQBD customers at present the subsidy has grown and therefore the need for direct and focused intervention has increased in lockstep.

From a participant perspective, a discount provides immediate relief whereas energy efficiency provides savings over time. Both are necessary. From a non-participant perspective, the IQBD subsidy for a participant is a function of usage. If an IQBD Tier 1 customer receiving an 80% discount has consumption that is 2x that of average then the annual IQBD subsidy for that one customer is $3,000[3]. That does not include the public purpose charge nor the Energy Trust energy efficiency budget. A portion of that $3,000 could instead be reallocated toward intervention that yields longer term benefit.

PGE referrals of all IQBD customers, regardless of usage, to CAAs is well established. However, PGE referrals to Energy Trust no-cost offers is undefined. A customer generally cannot simply submit an application for the CPF No-Cost incentive. CPF eligibility specifically requires the household to be "a client of a community-based organization enrolled in CPF." The partner—or a contractor working with that partner—conducts the assessment, assembles the funding package and submits the project. While PGE acknowledges and appreciates the community organization is the trusted navigator, and Energy Trust funds the project through that relationship, it is not clear how the utility is to refer an IQBD customer at the time of enrollment and ensure an expedited customer experience. This represents a gap if we collectively aim to reduce consumption to address energy burden and is problematic in so far as ratepayer funded energy efficiency is not delivered to those in need. By year end, PGE will host a roundtable with advocates and Energy Trust to find some alignment and set expectations on AMP-based referrals.

Furthermore, advocates request that PGE commit to a detailed communication plan in this filing. The communication plan for the AMP will include:

- IQBD enrollment confirmation letters will be updated to inform eligible customers of the AMP and the assistance available through the program.

- Following implementation, a communication will be sent to eligible customers to notify them of the additional assistance available through the AMP.

- In May and September of each year, PGE will send communications to AMP-eligible customers to increase awareness of the program. While these communications will coincide with the timing of required customer protection notifications, the AMP outreach will be a distinct and separate communication.

- Customers will receive confirmation of the AMP assistance they've received shortly after it's applied.

[3] Calculation: $0.21/kWh * 80% * (2*740kWh) *12 = $3 000/annually

- All AMP communications will be provided in English and Spanish and will be delivered either by postal mail or email, based on the customer's communication preference.

III. Portfolio Evaluation

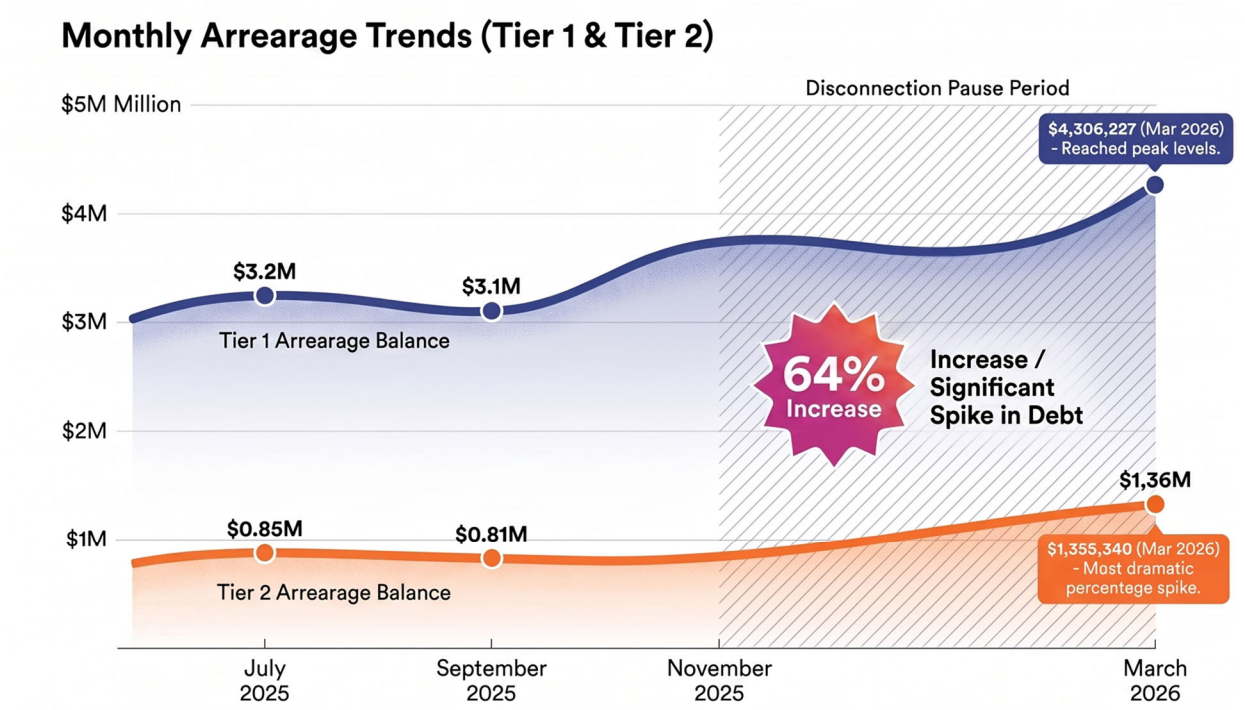
Effective January 1, 2022, House Bill (HB) 2475 expanded the Commission's authority to consider differential energy burdens and other social or environmental justice factors when establishing utility programs. The Commission initiated Docket No. UM 2211 to investigate how to mitigate these burdens, specifically focusing on customers who are disproportionately affected by energy insecurity. In Docket No. AR 671, the Commission's core objectives are to reduce harms in high-risk conditions and reduce financial barriers to getting and staying connected to essential services. Staff has asserted that elevated arrearages (unpaid balances) and seasonal usage spikes are directly correlated with higher disconnection rates. As a result, the Commission determined that a structured relief program, or AMP, was a "necessary and appropriate" change to existing customer protections.

The primary tension in asserting direct correlation is that while multiple policy levers – bill assistance, bill discount, arrearage forgiveness, energy efficiency, moratoriums – are contributing to the reduction of energy burden – a function of utility rate, customer consumption and customer income – the attribution of any one lever to the reduction of disconnection remains unclear. For instance, in early 2025, PGE administered three rounds of one-time arrearage forgiveness to IQBD Tier 1 (0-5% SMI) customers, consistent with 2025 Temporary Winter Protections. Then in early 2026, PGE administered another round of one-time arrearage forgiveness to IQBD Tier 1 and Tier 2 (0-15% SMI) customers, consistent with temporary protections. The 2025 and 2026 arrearage forgiveness was awarded to 10,550 and 14,479 customers, totaling $3.3M and $4.0M, with average forgiveness amounts $315 and $277, respectively. In 2026, an analysis of pre/post IQBD Tier 1 and Tier 2 customers revealed that the AMP awarded during a disconnection moratorium increased the average amount past due by approximately 64%, on average, while Tiers 3, 4 and 5 saw little to no change.

Analysis of Arrearage Growth:

- Extended pauses generally result in increased debt and high levels of future service disconnections.

- When protections expired in March 2026, the number of IQBD participants in 91+ day arrears dropped by more than half, falling to 4,915. This decline was not due to bills being paid, but rather to service disconnections, which spiked to 2,325 for IQBD recipients that same month.



Debt for income-qualified customers grew at double the rate of the general residential population. IQBD arrears grew by 46% compared to only 19% for all residential customers.

Some policy levers provide immediate bill relief and others address core consumption issues. The speed and persistence of bill reduction varies by intervention. Ensuring operational effectiveness[4] – the ratio between avoided burden (the actual dollar reduction in customer energy bills) and total energy assistance funding – is further complicated given the number of program administrators and implementers. To support improved overall operational effectiveness, in 2026, PGE contributed to the Oregon Housing and Community Services (OHCS) Oregon Energy Assistance Program (OEAP) Engagement Project. PGE advocated on behalf of its customers to drive meaningful improvements to OEAP's accessibility, efficiency, and outcomes. OHCS has communicated its intent to compile notes from all four sessions and reconvene the group to review and validate findings in later 2026. From there, program improvements will be planned for implementation on October 1st, 2027. PGE will remain an active contributor to this conversation and inform the sequencing as discussed in the June 3, 2026, CBIAG. In furtherance of operational effectiveness, pairing of high-efficiency technology like heat pumps with weatherization services is needed to simultaneously electrify and realize bill reductions.[5] According to the Community Energy Project, this combination can increase annual household savings from approximately $340 to upwards of $1,000.

[4] Quantitative Energy Equity, Empower Dataworks (2020). Retrieved from: https://u.pcloud.link/publink/show?code=XZichn5ZhSwylYpEWRbAE05QuElwHRbTNgSk

[5] Accessible Electrification: The Pathway to Equitable Energy Transition, Community Energy Project (2026). Retrieved from: https://drive.google.com/file/d/1ZuEhzBoe0cUD8wsztVQOUcppAB-yn6fr/view?usp=drive_link

Without further analysis and collaboration, the existing portfolio of energy assistance funding and related policy levers runs the risk of not delivering on stated objectives. Providing temporary relief to a customer with a permanent, high-energy burden fails to solve their long-term affordability gap. To solve these issues requires a focused approach and operational efficiency rather than just increasing budgets. PGE will track and analyze RO 16 data to inform AMP and other policy lever operational effectiveness to inform annual program evaluation and recommendation. In addition, PGE supports continued dialogue in Docket Nos. UM 2417 and UM 2405, related to distributional equity, energy burden assessment and annual reporting, to address this identified need for income qualified portfolio evaluation.

V. Conclusion

PGE will build on existing quarterly energy burden metric reporting to evaluate the bill relief of AMP participants. PGE plans to maintain transparency and allow for program improvements and convene with stakeholders at least once per program year to discuss performance and potential design adjustments.

PGE appreciates the participation of Staff and stakeholders in this multi-workshop effort to establish and operate an Arrearage or Bill Relief Program specifically designed to support the most vulnerable residential customers. PGE looks forward to continued dialogue with all parties as the program matures.

SCHEDULE 18
INCOME-QUALIFIED BILL DISCOUNT - OPTIONAL

PROGRAM DESCRIPTION

This is an optional bill discount for Income-Qualified Residential customers and Non-Residential Customers that qualify under Special Condition 8 of this schedule. This discount is enabled by House Bill 2475, which modified ORS 757.230 to allow for differentiated rates on the basis of affordability factors. The Income-Qualified Bill Discount Program includes an Arrearage Management Program (AMP) for tier 1 and tier 2 customers. **(C)** **(C)**

AVAILABLE

In all territory served by the Company.

APPLICABLE

To Income-Qualified Residential Customers with gross household income at or below 60% of Oregon State Median Income (SMI), adjusted for household size. For Customers in single-person households, eligibility is extended to those with gross household incomes up to the greater of 60% SMI or full-time wages at the Portland Metro minimum wage. Also applicable to Non-Residential Customers that qualify under Special Condition 8 of this schedule.

MONTHLY DISCOUNT

Monthly bill discounts are calculated as a percentage of bill. Residential Customer discounts are offered at five levels, based on the enrolled Customer's household income as a percentage of SMI.

Tier	Eligible Percent of SMI	Discount Percentage
A	0-5%	80%
B	6-15%	50%
C	16-30%	25%
D	31-45%	20%
E[1]	46-60%	15%

1. Tier E includes, for single-person households, customers with gross household incomes up to the greater of 60% SMI or full-time wages at the Portland Metro minimum wage.

Enrolled Customers with a verified Emergency Medical Certificate on their PGE account will be moved to the next highest discount level, if not already qualified for the highest discount level.

Discounts for Non-Residential Customer that qualify under Special Condition 8 will receive a 25% discount.

Bill discounts are applied prior to taxes and do not apply to Schedule 300 or optional charges.

SCHEDULE 18 (Concluded)

SPECIAL CONDITIONS

1. Program participants must be the accountholder.

2. Household size reflects all permanent residents in the home, including adults and children.

3. Qualifying income refers to total gross annual income, both taxable and nontaxable, from all sources for all persons in the applicant's household.

4. The discount applies only to bills associated with the Customer's permanent primary residence and only to new charges billed after enrollment.

5. PGE Customers who have qualified for the federal Low-Income Home Energy Assistance Program (LIHEAP) or the Oregon Energy Assistance Program (OEAP) and not already enrolled will be automatically enrolled or their discount level will be updated into the appropriate tier if already enrolled. Those who also have a verified Emergency Medical Certificate on their PGE account will automatically be enrolled into the next highest tier, unless they are already eligible for Tier A. Customers who do not wish to receive the discount can contact PGE to be unenrolled.

6. Customers not otherwise automatically enrolled may participate in the program after the approval of an application that includes a declaration of household size and income. Applications can be submitted directly by the Customer or a third-party on behalf of the Customer. Re-enrollment will be required every two years.

7. PGE will require post-enrollment verification of need of no more than 3% of annually enrolled Customers. Those identified for post-enrollment verification will be selected by PGE from participants who were not automatically enrolled or re-enrolled based on their verified eligibility for LIHEAP/OEAP. Customers selected must verify eligibility to continue receiving this discount. If a Customer's discount is discontinued due to non-responsiveness or ineligibility, they may re-enroll upon providing verification of eligibility. Customers who were automatically enrolled based on LIHEAP or OEAP eligibility are exempt from post-enrollment verification.

8. The Non-Residential discount is available for master-metered buildings consisting of individual residential units, served under a Non-Residential rate schedule and meeting the following criteria:
    a. At least 50% or greater of the dwelling units are dedicated to occupants whose income is at 60% or less of state median income;
    b. Must qualify as affordable housing with Oregon Housing and Community Services as defined in OAR 330-240-0070(1); and
    c. The master-metered customer must attest that it will pass its monthly bill discount back to its low-income occupants on a proportional basis.

9. The Arrearage Management Program (AMP) provides up to $500 annually for qualifying customers. The program year is October 1 through September 30. **(N)** **(N)**

SCHEDULE 118
BILL ADJUSTMENT
COST RECOVERY MECHANISM

PURPOSE

The purpose of this schedule is to recover the costs associated with PGE's Income-Qualified Bill Discount Program, inclusive of costs to administer the Arrearage Management Program (AMP), an offering to eligible Residential and Non-Residential Customers designed to increase bill affordability (operationalized in Schedule 18). This discount is enabled by House Bill 2475 (2021 regular session), which calls for differentiated rates for "low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers." This adjustment schedule is implemented as an automatic adjustment clause as provided for in ORS 757.210. (C) (C)

APPLICABLE

To all bills for Electricity Service.

ADJUSTMENT RATES

The applicable Adjustment Rates are listed below. The rate for non-Residential schedules is applied to the first 20,000,000 kWh per month per Site.

Schedules	Adjustment Rate	
7	$2.74 per bill	(R)
Non-Residential Schedules	0.361¢ per kWh	(I)