



Oregon

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Public Utility Commission

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October 28, 2025



BY EMAIL

Portland General Electric Company

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RE: Advice No. 25-28

At the public meeting on October 28, 2025, the Commission adopted Staff's recommendation in this matter docketed as ADV 1788. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Alison Lackey

Chief Administrative Law Judge

Public Utility Commission of Oregon

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**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 28, 2025**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** October 31, 2025

DATE: October 20, 2025

TO: Public Utility Commission

FROM: Charles Lockwood

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

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1788/Advice No. 25-28)
Updates Schedule 109, Energy Efficiency Funding Adjustment to Energy Trust of Oregon Funding Adjustment.

STAFF RECOMMENDATION:

Staff recommends that the Oregon Public Utility Commission (the Commission) approve Portland General Electric's (PGE or the Company) request to update Schedule 109 to reflect Energy Trust of Oregon's forecasted 2025 budget (Docket No. ETO 1), renaming Schedule 109 to Energy Trust of Oregon Funding Adjustment in compliance with House Bill 3141.¹

DISCUSSION:

Issue

Whether the Commission should approve the PGE's adjustment to rates on Schedule 109 to increase the amount of cost-effective energy efficiency funding for Energy Trust of Oregon, and the updated name of Schedule 109.

Applicable Rule or Law

Under ORS 757.205(1), a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time.

¹ Oregon HB 3151 (2021), amending ORS 757.612 and ORS 757.054, and incorporated in ORS 757.054, ORS 757.056, ORS_757.698, ORS 757.746, and ORS 757.747.

The Commission may approve tariff changes if they are deemed fair, just, and reasonable. ORS 757.210.

Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025.

OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules must include in its filing a statement plainly indicating the increase, decrease, or other change made with the filing, the number of customers affected by the proposed change and the resulting change in annual revenue; and the reasons or grounds relied upon in support of the proposed change.

Filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change. However, the Commission, for good cause shown, may allow changes without requiring the 30 days' notice by filing an order specifying the changes to be made and the time when they shall take effect. ORS 757.220; OAR 860-022-0015.

Analysis

Background

PGE filed revised tariff sheets on September 18, 2025, through Docket No. ADV 1788 (Advice No. 25-28). The revisions include an update to the Schedule 109, Energy Efficiency Adjustment, increasing the amount of cost-effective energy efficiency funding that is delivered to Energy Trust of Oregon (Energy Trust) to reflect the Energy Trust's final proposed budget.² Additionally, PGE proposes to update the Schedule 109 tariff name to Energy Trust of Oregon Funding Adjustment. Both changes are made to comply with HB 3141.

On July 27, 2021, the Oregon Legislature signed HB 3141 into law and reduced the public purpose charge for electric customers within the state. ORS 757.054 requires electric companies to "pursue all available energy efficiency resources that are cost effective, reliable and feasible." HB 3141 further requires electric company to recover funds necessary to plan for energy efficiency through retail customer rates. Additionally, HB 3141 sets a number of provisions to be in effect starting in 2026.

Beginning in 2026, the class of non-residential customers meeting the eligibility requirements in HB 3141 are subject to an annual cap of \$250,000 for combined Energy

² At an October 16, 2025, Special Public Meeting Staff provided detailed comments on Energy Trust's 2060-2030 Multiyear Plan including the 2026 budget, (available at: [https://edocs.puc.state.or.us/efdocs/HAU/eto1hau340588027.pdf](https://edocs.puc.state.or.us/efddocs/HAU/eto1hau340588027.pdf)).

Trust of Oregon Funding Adjustment and Public Purpose Charges.³ Additionally, non-residential customers who use over ten megawatts on average during the prior year are now subject to an annual cap of \$4,000,000 for combined charges. The prior HB 3141 cap for large (>1 aMW) customers only covered the Energy Trust of Oregon Funding Adjustment and was set at 1.7 percent of customer bills. PGE’s workpapers show that the funding cap change has the impact of shifting more of Energy Trust’s revenue collection to larger customers, summarized in Table 1.

Table 1: Percentage of Energy Trust Revenue from Smaller vs. Larger Customers

Annual Customer Energy Consumption	HB 3141 Percentage Cap Prior to Jan. 1, 2026	HB 3141 Dollar Cap Effective Jan. 1 2026
Under 1 aMW	93%	87%
Over 1 aMW	7%	13%

Recovery of Schedule 109 is allocated to rate schedules on the basis of an equal percentage of base revenues with direct access customers priced at Cost of Service (COS). Historically, because this is directly collected from customers and passed-through to Energy Trust, there is no balancing account, true-up, or amortization associated with the adjustment schedule.

After discussing with Staff and the Energy Trust of Oregon of Oregon (Energy Trust), PGE modified the Schedule 109 tariff to reflect the introduction of a Balancing Account. The Company will maintain the balancing account, accrue the incremental discrepancies between the amounts collected from customers, and consistently deliver monthly amounts to Energy Trust.

Proposed Changes

This filing proposes to increase the amount raised by its Schedule 109 for cost-effective energy efficiency funding for Energy Trust by approximately \$17 million, from \$146 million (in 2025) to approximately \$164 million.⁴ Energy Trust currently forecasts their calendar year budget amount at \$167 million. However, Energy Trust’s budget will not be finalized until November 2025, therefore, the introduction of a balancing account for Schedule 109 makes revenue collection from customers and disbursements to Energy Trust independent functions. PGE can accommodate modest discrepancies in collections and adjust collections in future pricing updates. Further, Staff expects PGE to enter into a funding agreement with Energy Trust that stipulates a payment schedule

³ ORS 757.054 and ORS 757.612, respectively.

⁴ Energy Trust of Oregon, Draft 2026-2030 Multiyear Plan, Docket No. ETO 1, pp. 43-64 (Aug. 4, 2025).

with specific disbursement amounts such that Energy Trust receives exactly the 2026 budget requested in the Multiyear Plan.

Additionally, the Company added language to the Schedule 109 tariff that any individual bill adjustments related to the cap will be paid from the Schedule 109 balancing account. This language was added for two main reasons. First, due to the HB 3141 fixed dollar cap requirements for large customer combined contributions to Energy Trust of Oregon Funding Adjustment and the Public Purpose Charges. Second, the new possibility that some customers with higher-than-average load factors could pay more than the cap amount because rates are based on the class aggregate loads.

Lastly, the Company notes that future updates to Schedule 109 are anticipated annually in October due to HB 3179 (The FAIR Energy Act) which prohibits any increase in residential rates between November 1 to March 31.

Expected Rate Change

PGE estimates that approximately 962,000 cost of service (residential, commercial, and industrial) customers will be impacted by the overall \$17 million increase in cost-of-service revenues from the proposed Schedule 109 prices. On average, customer rates will increase 0.5 percent, but due to the change in HB 3141 funding caps, the rate increases are asymmetrical. A typical residential customer (Schedule 7) customer consuming 784 kWh monthly would see a 0.25 percent bill increase of \$0.40 monthly.

Most customers over one aMW will see an increase between 3 and 3.75 percent. At least one large customer meets the \$4 million cap with its Public Purpose Charge alone, and thus its contribution to the Energy Trust Energy Efficiency Adjustment goes to zero. This results in a 1.7 percent rate decrease for that customer and raises questions of whether that customer remains eligible for Energy Trust efficiency offers if the entity is not paying into Schedule 109.

Conclusion

After review, Staff concludes that the revisions filed by Portland General Electric are appropriate. Staff appreciates the Company's proposed changes to better align the tariff with recently passed legislation, HB 3141 and the FAIR Energy Act.

Docket No. ADV 1788
October 20, 2025
Page 5

Staff reviewed the proposed schedule changes as well as tariff language to ensure no other schedules were affected by the recent changes. Staff reviewed the Company's supporting materials and determined that the proposed increase is reasonable.

PROPOSED COMMISSION MOTION:

Approve PGE's ADV 1788/Advice No. 25-28, updating Schedule 109 to increase the amount of cost-effective energy efficiency funding for Energy Trust of Oregon, and updating the name of Schedule 109, effective October 31, 2025.

CA6 – Docket No. ADV 1788

**PORTLAND GENERAL ELECTRIC COMPANY
TABLE OF CONTENTS
RATE SCHEDULES (Continued)**

Schedule Description

Standard Service Schedules (Continued)

- 81 Nonresidential Emergency Default Service
- 83 Large Nonresidential Standard Service (31 – 200 kW)
- 85 Large Nonresidential Standard Service (201 – 4,000 kW)
- 86 Nonresidential Demand Buy Back Rider
- 88 Load Reduction Program
- 89 Large Nonresidential Standard Service (>4,000 kW)
- 90 Large Nonresidential Standard Service (>4,000 kW and Aggregate to >30 MWa)
- 91 Street and Highway Lighting Standard Service (Cost of Service)
- 92 Traffic Signals (No New Service) Standard Service (Cost of Service)
- 95 Street and Highway Lighting New Technology (Cost of Service)
- 99 Special Contracts

Adjustment Schedules

- 100 Summary of Applicable Adjustments
- 102 Federal Columbia River Benefits supplied by Bonneville Power Administration
- 103 Metro Supportive Housing Services Business Income Tax Recovery
- 105 Regulatory Adjustments
- 106 Multnomah County Business Income Tax Recovery
- 108 Public Purpose Charge
- 109 Energy Trust of Oregon Funding Adjustment
- 115 Low Income Assistance
- 118 Bill Adjustment Cost Recovery Mechanism
- 122 Renewable Resources Automatic Adjustment Clause
- 123 Decoupling Adjustment
- 125 Annual Power Cost Update

(C)

**SCHEDULE 109
ENERGY TRUST OF OREGON FUNDING ADJUSTMENT**

(C)

PURPOSE

To fund the acquisition of Energy Efficiency as administered by the Energy Trust of Oregon (ETO) for the benefit of the Company's Customers pursuant to ORS 757.054.

(C)
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AVAILABLE

In all territory served by the Company.

APPLICABLE

To all Residential and Nonresidential Customers located within the Company's service territory. Nonresidential Customers who meet the eligibility qualifications under 2021 Legislative Session House Bill (HB) 3141 and whose load exceeded 1 aMW but less than 10 aMW during the prior calendar year are subject to an annual cap of \$250,000 for combined Energy Trust of Oregon Funding Adjustment and Public Purpose Charges. Nonresidential Customers who meet the eligibility qualifications under HB 3141 and whose load exceeded 10 aMW are subject to an annual cap of \$4,000,000 for combined Energy Trust of Oregon Funding Adjustment and Public Purpose Charges.

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SELF-DIRECTING CUSTOMER (SDC)

Pursuant to OAR 860-038-0480, to qualify to be an SDC, the Large Nonresidential Customer must have a load that exceeds 1 aMW at a Site as defined in Rule B and receive certification from the Oregon Department of Energy (ODOE) as an SDC. The Company will include the credits due, as reported by the ODOE, to the applicable portions of the SDC's monthly Schedule 109 Charge.

(C)
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(C)

BALANCING ACCOUNT

The Company will maintain a balancing account to accrue the incremental amounts between the amounts associated with the ETO budget and the revenues collected under this schedule. This balancing account will accrue interest at the Commission-authorized rate for deferred accounts.

(D)
(N)
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(N)

SCHEDULE 109 (Continued)

ENERGY TRUST OF OREGON FUNDING ADJUSTMENT

(C)

The Adjustment Rates, applicable for service on and after the effective date of this schedule, will be:

Standard Pricing

<u>Schedule</u>	<u>Adjustment Rate</u>
7	1.068 ¢ per kWh
15/515	0.822 ¢ per kWh
32/532	0.996 ¢ per kWh
38/538	1.036 ¢ per kWh
47	1.392 ¢ per kWh
49/549	1.252 ¢ per kWh
75/575	
Secondary	0.512 ¢ per kWh
Primary	0.506 ¢ per kWh
Subtransmission	0.496 ¢ per kWh
83/583	0.766 ¢ per kWh
85/485/585	
Secondary	0.666 ¢ per kWh
Primary	0.784 ¢ per kWh
89/489/589/689	
Secondary	0.512 ¢ per kWh
Primary	0.506 ¢ per kWh
Subtransmission	0.496 ¢ per kWh
90/490/590	
Primary 30-250MWa	0.500 ¢ per kWh
Primary >250MWa	0.000 ¢ per kWh
Subtransmission	0.500 ¢ per kWh
91/491/591	0.826 ¢ per kWh
92/492/592	0.562 ¢ per kWh
95/495/595	0.826 ¢ per kWh

(I)

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SCHEDULE 109 (Concluded)

ENERGY TRUST OF OREGON FUNDING ADJUSTMENT (Continued)

Over One Average Megawatt Pricing

<u>Schedule</u>	<u>Adjustment Rate</u>
75/575 >1aMW	
Secondary	0.512 ¢ per kWh
Primary	0.506 ¢ per kWh
Subtransmission	0.496 ¢ per kWh
83/583 >1aMW	0.482 ¢ per kWh
85/485/585 >1aMW	
Secondary	0.328 ¢ per kWh
Primary	0.276 ¢ per kWh
89/489/589/689 >1aMW	
Secondary	0.512 ¢ per kWh
Primary	0.506 ¢ per kWh
Subtransmission	0.496 ¢ per kWh
90/590 >1aMW	
Primary 30-250MWa	0.500 ¢ per kWh
Primary >250MWa	0.000 ¢ per kWh
Subtransmission	0.500 ¢ per kWh

SPECIAL CONDITION

- Any adjustments relating to eligible Nonresidential Customers subject to annual caps as described in HB 3141 will be paid from the Schedule 109 Energy Trust of Oregon Funding Adjustment balancing account. Nonresidential Customers meeting the requirements for the combined annual cap under HB 3141 will notify the Company by March 31 of the following year to receive an adjustment.

TERM

This Schedule will terminate on January 1, 2036.

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