

Portland General Electric Company
TARIFF UPDATE ANNOUNCEMENT

January 31, 2020

RE: Advice No. 19-25, NEW Schedule 131 Oregon Corporate Activity Tax Recovery

The Public Utility Commission of Oregon approved the following sheets to PGE's Retail Tariff which are effective **February 1, 2020**:

Twenty Third Revision of Sheet No. 1-2
First Revision of Sheet No. 100-2
Original Sheet No. 131-1

This approved filing establishes new Schedule 131, Oregon Corporate Activity Tax Recovery. The purpose of Schedule 131 is to recover from Customers the Oregon Corporate Activity Tax (CAT) paid by the Company for "commercial activity" in accordance with House Bill 3427. The CAT imposes a tax based on "taxable commercial activity" in Oregon that applies to tax years starting January 1, 2020.

PGE must pay estimated taxes in 2020 associated with this new tax that were not forecasted in UE 335, PGE's most recent general rate case. PGE's estimate of the CAT for 2020 is \$7.4 million. However, given that this is a new tax and the ultimate tax amount remains uncertain the actual tax amount may differ. PGE's balancing account and automatic adjustment clause will allow PGE to true up the differences between PGE's estimated CAT collected under Schedule 131 and its actual CAT expense. These differences will be credited or charged to customers through an annual update of Schedule 131 prices.

Schedule 131 was originally filed to amortize over a 12-month period beginning January 1, 2020 but OPUC Staff requested more time to review the filing which extended the effective date to February 1, 2020, therefore, Schedule 131 will amortize over an 11-month period. The Schedule 131 rate change will result in a 0.4% overall rate increase for approximately 900,000 Customers. A typical Schedule 7 Residential Customer consuming 800 kWh monthly will see a bill increase of approximately \$0.45.

PGE's retail Rate Schedules and Rules can be found at: www.portlandgeneral.com/our-company/regulatory-documents/tariff If you have questions on tariff notifications, please contact, mary.widman@pgn.com.

The previous Tariff Update Announcement
was issued on December 30, 2019