



Media Release

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PUC CUTS PGE’S REQUESTED JANUARY 1 RATE INCREASE

SALEM, Ore. – The Oregon Public Utility Commission (PUC) today issued its decision in the general rate case filing by Portland General Electric (PGE), approving an increase in general rates for all customer types, including residential, commercial, and industrial customers, of approximately 3.3 percent to take effect on January 1, 2025. This is down from PGE’s original general rate case filing, which requested an increase of 7.4 percent.

When combining the general rate increase with other adjustments, rates overall will increase on January 1 by approximately 6.2 percent. This is due to the combined effect of the general rate case decided today, the annual adjustment for power purchase costs, and other year-end rate increases and decreases. For residential customers, the combined impact of the general rate case and all other filings effective January 1 is expected to be an increase of approximately 5.5 percent. Finalized rate changes will come after PUC review of utility compliance filings with the Commission decision and final decisions on other year-end rate filings.

Today’s decision in the general rate case cuts back the increase PGE had requested, significantly reining in PGE’s requested growth in expenses. The resulting 3.3 percent increase in general rates largely reflects the cost of PGE’s capital investments in infrastructure needed to ensure safe and reliable utility service. Power costs, stabilizing after large spikes in prior years, contributed nearly two percent to the overall increase. Other, smaller adjustments representing the changing costs of fees and customer programs, some of which will be finalized in a Commission public meeting on December 31, 2024, also contribute to the January 1, 2025, rate change.

“As regulators, our job is to look out for customers,” said Megan Decker, PUC Chair. “We know that rate increases are difficult for Oregonians, and we only approve them after independently scrutinizing the facts and concluding that increasing rates is necessary to preserve customers’ long-term interests in safe and reliable utility service.”

Recognizing the impacts of rate increases in winter, Commissioners adopted protections for the most vulnerable. In temporary emergency rules adopted in AR 667 on December 17, the Commission prohibited PGE from disconnecting medical certificate holders and bill discount program participants until March 31.

As part of the general rate case, parties were unable to reach agreement on any issues. The Commission’s order addresses more than 60 disputed issues, including:

1. Growth in labor and materials expenses – Holds PGE to its actual 2023 expenses, escalated for inflation, or to a three-year average across many disputed issues, including wages and salaries.

2. Lower cost of equity – Uses a lower return on investment for setting rates, recognizing frequent PGE rate case filings lower its financial risk.
3. Seaside Battery Project – Requires PGE to file another rate case, or a different balanced rate mechanism, to increase rates to include the cost of a 200 MW battery project being constructed in North Portland but not yet serving customers.
4. Impact of Clearwater Wind – Directs PGE not to include the project’s costs or benefits in rates until Commission prudence review is complete in early 2025.

“Affordable utility services depend on independent regulators understanding the costs and risks of providing utility service and making sure that utilities use ratepayer money wisely,” Decker added. “I appreciate the hard work of PUC Staff, customer advocates, and the utility to provide thousands of pages of evidence on these costs and risks, and value the collaboration and hard work by Commissioners to reach resolution on dozens of disputed issues.”

Commissioners split on only one of more than 60 disputed issues, with Commissioner Perkins preferring to recalculate PGE’s rate base sooner than the other Commissioners.

To finalize rate changes, PGE will submit a compliance filing to the PUC that calculates the impact of all rate-related Commission decisions and provides final rate changes for each customer type (residential, commercial, industrial). The PUC will then review PGE’s compliance filing to ensure all decisions are reflected accurately in the final numbers before the rate change becomes effective on January 1, 2025.

Resources for PGE Customers

To save on future bills, review Energy Trust of Oregon’s [current incentives and opportunities, including low and moderate income offers](#), and learn more about [low-cost and no-cost tips](#) to reduce energy consumption.

PGE offers a variety of [free tools](#) such as dashboards, rebates and incentives for energy efficiency as well as energy management programs such as Smart Thermostat, Time of Day, EV Smart Charging, Peak Time Rebates and Equal Pay. PGE also offers the Income Qualified Bill Discount Program (IQBD), as well as a variety of assistance and resources for customers in need. To learn more and enroll in an energy assistance or cost savings program visit portlandgeneral.com/save-money or to learn more about IQBD visit portlandgeneral.com/income-qualified-bill-discount or call 503-228-6322.

PGE serves 930,000 customers serving an area of 1.9 million Oregonians in seven counties and 51 cities.

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The Oregon Public Utility Commission (PUC) regulates customer rates and services of the state’s investor-owned electric and natural gas utilities, including Portland General Electric, Idaho Power, Pacific Power, Avista, Cascade Natural, and NW Natural. The PUC also regulates landline telephone providers and select water companies. The PUC’s mission is to ensure Oregonians have access to safe, reliable, and fairly priced utility services that advance state policy and promote the public interest. We use an inclusive process to evaluate differing viewpoints and visions of the public interest and arrive at balanced, well-reasoned, independent decisions supported by fact and law. For more information about the PUC, visit oregon.gov/puc.