

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Notice of Information Collections and)
And Request for Comments) Docket No. IC25-7-000
)

COMMENTS OF PORTLAND GENERAL ELECTRIC COMPANY

Portland General Electric Company (PGE) is submitting these comments in response to the Notice of Information Collection and Request for Comments which Federal Energy Regulatory Commission (FERC or Commission) issued on February 3, 2025 (“Notice”)¹. In the Notice, the Commission is soliciting public comment on the currently-approved information collection burden associated with Forms No. 1, 1-F, and 3-Q. Specifically, “comments are invited on: (1) whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) the accuracy of the agency’s estimates of the burden and cost of the collections of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of the information collections; and (4) ways to minimize the burden of the collections of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.”²

¹ *Commission Information Collection Activities (FERC Form Nos. 1,1-F, and 3-Q); Comment Request; Extensions*, FERC Docket No. IC25-7-000, February 3, 2025, 90 Fed. Reg. 9,151 (February 7, 2025).

² *Id.* at pages 8-9.

PGE recommends that the filing requirements of the Form 3-Q be eliminated in full. Alternatively, the filing requirements of the Form 3-Q should be reduced, either (i) to one mid-year report for the six months ended June 30 of each respective calendar year, or (ii) to a basic set of financial statements (Comparative Balance Sheet, Statement of Income and Retained Earnings, Statement of Cash Flows, Statement of Other Comprehensive Income, and accompanying Notes to the Financial Statements). PGE does not object to the renewal of Form No. 1 and offers no comments related to Form No 1-F. Responses to each comment request regarding Form No. 3-Q are provided below.

I. PGE Background

PGE is a vertically integrated and regulated, investor-owned electric utility company serving approximately 950,000 customers as of December 31, 2024. PGE's service territory encompasses 4,000 square miles across seven counties and 51 Oregon cities. PGE owns generation, transmission, and distribution facilities for service to wholesale and retail customers and buys and sells power in the Western energy market. PGE's all-time net system peak load is 4,498 MW, which occurred on August 16, 2023. PGE's generation capacity includes a diverse mix of wind power, natural gas-fired combined cycles, hydroelectric, coal, and other resources, including those acquired through power purchase agreements. PGE solely owns and operates approximately 1,254 circuit miles of transmission and is a joint owner of certain other transmission paths in the Northwest. PGE has over 50 points of interconnection with other utilities.

II. PGE Supports Eliminating the Form 3-Q Filing Obligation

PGE prepares and files one Form 3-Q each quarter. Each Form 3-Q incurs an average of 150 labor hours, and an average total expense of approximately \$20,000, which includes labor, benefits, and system costs.

PGE files extensive information about PGE's financial performance, operations, and other aspects of PGE's business with the Commission and other federal and state agencies, including the Energy Information Administration, Environmental Protection Agency, Securities and Exchange Commission, the Oregon Public Utility Commission and other state regulatory agencies. These filings provide a detailed picture of company finances and operations, and involve substantial work and costs. As outlined above, PGE invests substantial staff labor, technology, and other resources to provide this information, the costs of which are ultimately borne by PGE's retail and wholesale customers. These filings are often due in short and overlapping time frames when PGE is busy closing its accounting books and preparing other financial reports, creating a significant burden on PGE staff and on accounting and reporting systems. Reducing reporting requirements, especially those that provide little incremental value, will reduce the burden and costs to customers.

The Paperwork Reduction Act of 1995 (PRA) requires federal agencies to strive to minimize the reporting burden and avoid duplicative reporting requirements.³ The PRA requires each agency to undertake a triennial review, in consultation with the Office of Management and Budget, to demonstrate that information collections are as reasonable and streamlined as possible. In the case of Form No. 3-Q, consideration of the initial intent of the quarterly reporting requirements should be balanced with the actual use of the reports. PGE believes that

³ 44 U.S.C. §§ 3501 et seq.

this consideration should result in FERC’s determination that the Form No. 3-Q does not meaningfully contribute to FERC’s oversight mission and should either be eliminated or reduced as explained below.

III. PGE Responses to Commission Questions

1. *Whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility.*

Response:

On February 11, 2004, the Commission issued Order No. 646, establishing new quarterly reporting (Form No. 3-Q) for jurisdictional entities.⁴ Generally, the objectives of the new filing requirement were to:

- a. “Improve the usefulness and transparency of financial information submitted to the Commission;
- b. “Help the Commission identify and evaluate emerging trends, business conditions and financial issues affecting regulated entities;”⁵
- c. Allow “the Commission to achieve its stated purpose of providing more vigilant oversight” over reporting entities;⁶ and

⁴ *Quarterly Financial Reporting and Revisions to the Annual Reports*, Order No. 646, 106 FERC ¶ 61,113 (2004), *clarified*, Order No. 646-A, 107 FERC ¶ 61,231 (2004).

⁵ *Id.* at P. 2.

⁶ *Id.* at P. 12.

- d. “Identify the economic effects of significant transactions and events, allow staff to evaluate the adequacy of existing cost-based rates, and aid in the development of needed changes to existing regulatory initiatives.”⁷

PGE supports the Commission’s overall objective to provide vigilant oversight of reporting entities, and believes that the data collected in the annual Form No. 1 adequately meets this objective. The Form No. 1 provides an important reference tool for extensive information about company finances and operations, and is the basis for calculation of formula rates for FERC jurisdictional customers. However, PGE believes that the Form No. 3-Q is seldom if ever used. We believe the Form No. 3-Q has not significantly improved usefulness and transparency of the respondents’ financial information. The burden on respondents to prepare the Form No. 3-Q filings clearly outweighs any perceived benefit. Moreover, it is unclear that FERC staff gets an incremental benefit from the quarterly data that enhances its oversight capacity.

Further, we believe that the identification and evaluation of “emerging trends, business conditions, and financial issues” (b., above), and the identification of “the economic effects of significant transactions and events” (d., above) cannot be accomplished by Form No. 3-Q. Because each Form No. 3-Q covers only three months of data, and may contain large seasonal variations, each Form No. 3-Q by itself provides an incomplete picture of a company’s expected annual results. The information collected for each individual quarterly report does not lend itself to longer-term analysis of trends or business conditions. Additionally, new accounting requirements are typically adopted at the beginning of the fiscal year.

In addition, the Form No. 1, rather than the Form No. 3-Q, is the document used to establish formula rates. FERC Staff’s Guidance on Formula Rate Updates, for example, treats

⁷ *Id.* at P. 2.

FERC Form No. 1 data as the default data source, stating that “each input that is not directly taken from a referenced line and column entry in the FERC Form No. 1 must be supported with sufficient narrative description of the steps taken and calculations performed to derive the input.”⁸ The quarterly data contained in Form No. 3-Q has no bearing on annual formula rate determination.

FERC-jurisdictional customers and other interested parties access data presented in Form No. 1 in mid-April of each year, and continue to review the Form No. 1 data and its impacts on formula rates throughout the year. It seems unlikely that these parties would interrupt this work and shift their focus to reviewing quarterly data.

While FERC has commented in prior Notices that Form No. 3-Q is used to validate the debt and equity information of filings under Part 34 of the Commission’s regulations when the most recent Form No. 1 filing occurred more than four months prior to the application, this single use does not justify continuing to require this filing. In such cases, where the Commission needed additional data to validate debt and equity balances, staff could use data requests to obtain such information.

In summary, while the filing of Form No. 3-Q pursuant to Order No. 646 was intended to meet FERC’s regulatory goals, upon closer examination of the history since the issuance of Order No. 646, PGE believes that the Form No. 3-Q is not useful for achieving these goals. Given the cost and burden associated with the Form No. 3-Q, we believe that the collections of information are not necessary to the functions of the Commission, and that the information does not have practical utility.

⁸ “Staff’s Guidance on Formula Rate Updates,” July 17, 2014, retrieved from FERC’s website, <https://www.ferc.gov/sites/default/files/2020-04/staff-guidance.pdf>, on April 7, 2025.

- 2. The accuracy of the agency's estimates of the burden and cost of the collections of information, including the validity of the methodology and assumptions used.*

Response

Although PGE's estimate of the annual effort of preparing the Form No. 3-Q is higher than FERC's, PGE generally supports the FERC calculation of approximately 168 hours as the annual effort of preparing the Form No. 3-Q. In addition to the cost of preparation, PGE incurs additional cost to maintain a software package to support the filing requirements including XBRL tagging.

Under the Paperwork Reduction Act of 1995, the Commission is asked to evaluate whether the information collected is sufficiently useful to stakeholders and the Commission to warrant the burden of providing the data. As discussed above, the Form No. 3-Q does not provide meaningful information to the Commission, its Staff, or jurisdictional customers.

- 3. Ways to enhance the quality, utility and clarity of the information collections*

Response:

Given the focus on the need for the Form 3-Q, PGE has no comments to offer for this question.

- 4. Ways to minimize the burden of the collections of information on those who are to respond, including the use of automated collection techniques or other forms of information technology*

Response:

Although PGE believes that the burden of preparing the Form No. 3-Q outweighs its benefit, if the Commission continues to believe that some form of intra-year reporting should be retained, we support two alternative approaches.

The first alternative approach would be to require the filing of a single interim Form No. 3-Q annually after the second quarter of each utility's fiscal year. This could provide FERC

insight into financial matters of the utility in a manner consistent with the expressed purposes of Order No. 646. PGE believes that this compromise approach could provide FERC with an interim report for oversight and transparency while relieving respondents of the burden of preparing multiple quarterly filings.

If the Commission believes that quarterly information is ultimately necessary, the second alternative approach could be to limit the report to the basic set of financial statements discussed in Order No. 646. The proposed filing would include the Comparative Balance Sheet, the Statement of Income and Retained Earnings, the Statement of Cash Flows, the Statement of Other Comprehensive Income, and accompanying Notes to the Financial Statements. These fundamental financial statements would provide sufficient information for FERC to meet its stated regulatory goals. The creation of financial statements is not overly burdensome, and while the development of the notes to the financial statements requires more extensive effort, the overall burden would be greatly reduced by not having to prepare the supplemental schedules.

IV. Conclusion

PGE is grateful for the opportunity to provide these comments. We believe that the Form No. 1 already provides sufficient information for the FERC Staff to use in meeting its regulatory responsibilities and for jurisdictional customers to use in evaluating rates. By contrast, the Form No. 3-Q gives little or no useful incremental information to the Commission or jurisdictional customers. Therefore, PGE urges the Commission to eliminate the requirement for filing the Form No. 3-Q, given that it is very costly to prepare and is of limited value. However, if the Commission decides to continue collecting intra-year information via the Form No. 3-Q, we recommend that the Commission adopt a mid-year only report frequency, or a limited scope report, thus reducing the reporting burden of the respondents.

After more than 20 years of requiring the submittal of the Form No. 3-Q, FERC has sufficient information to conclude that a reduction in this reporting burden would align with the purpose of the Paperwork Reduction Act of 1995 and allow regulated entities to focus their efforts on meeting reporting obligations of demonstrated value to the Commission and stakeholders.

Respectfully submitted,

/s/Ryan Van Oostrum

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