



Climate Action Plan Funding Authorization

September 22, 2025

Background

- Climate Action Plan adopted on May 28, 2024
- Two-Year Work Plan adopted on October 14, 2024
- EConorthwest report to the City Council on February 24, 2025
- Additional information provided to the City Council on May 27, 2025

**Tonight, looking for authorization of the Pennies for
Climate Action Program and Electric Franchise Increase**



Pennies for Climate Action



- \$0.99/month *optional* fee on utility bills
- Public noticing scheduled to begin in October 2025 with website, newsletter, and utility bill notices
- Fee will first appear on utility bills in January 2026
- The opt-out will be available with the first public noticing, but can be selected at any time
- If the opt-out request is made before the 15th of the month, the optional fee will be removed from the same month's bill
- If there is 100% participation, the program will raise \$150,000 each year
- If there is 50% participation, the program will raise \$75,000 each year



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Building Permit Surcharge



- After further investigation, the building permit surcharge is not feasible at this time, but will be researched by the Climate Action Plan Manager
- Other funding sources identified (Pennies for Climate Action and Electric Franchise Increase) should be sufficient, at least initially
- City Council may reassess funding sources and revenue at future date



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Electric Franchise Increase



- City's Franchise Agreement with Portland General Electric allows the City to impose a Privilege Tax based on a percentage of the Gross Revenue earned from PGE's customers within the City in addition to the franchise fee as set forth in the Franchise
- If approved by the City Council, the City will impose a 0.3% Privilege Tax on PGE
- Based upon PGE Gross Revenue in 2024, the Privilege Tax is estimated to generate \$150,000 in revenue for the program



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