

May 18, 2021

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301-3398

Re: UM 1483(11)—PacifiCorp Application for Reauthorization for Deferred Accounting

Enclosed for filing by PacifiCorp d/b/a Pacific Power is an Application for Reauthorization for Deferred Accounting to defer the costs associated with the photovoltaic feed-in-tariff program required by ORS 757.365. A copy of the enclosed Notice has been served on all parties in docket UM 1483.

It is respectfully requested that all formal data requests to the company regarding this filing be addressed to the following:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Informal inquiries regarding this filing may be directed to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,


Shelley McCoy
Director, Regulation

Enclosures

Cc: Service List UM 1483

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1483(11)

In the Matter of
PACIFICORP d/b/a PACIFIC POWER
Application for Reauthorization for
Deferred Accounting

**APPLICATION FOR
REAUTHORIZATION FOR
DEFERRED ACCOUNTING**

I. INTRODUCTION

Per ORS 757.259, ORS 757.365(10), and ORS 469A.120(1) and (3), and in accordance with OAR 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) applies to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the Company to defer the costs and expenses associated with the photovoltaic feed-in tariff pilot program, known as the Oregon Solar Incentive Program, for the 12-month period beginning May 19, 2021 (the Application). Reauthorization to defer the requested costs is necessary to allow PacifiCorp to recover costs associated with compliance with ORS 757.365, as required by ORS 757.365(10).

II. NOTICE

Communications regarding this application should be addressed to:

Oregon Dockets
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Matthew McVee
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, Oregon 97232
Email: matthew.mcvee@pacificorp.com

In addition, PacifiCorp requests that all information requests regarding this Application be sent to the following:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, Oregon 97232

Informal questions may be directed to Cathie Allen, State Regulatory Affairs
Manager at (503) 813-5934.

III. STATUTORY AND REGULATORY FRAMEWORK

A. Oregon Solar Incentive Program

In docket AR 538, the Commission adopted rules to establish a solar photovoltaic feed-in tariff pilot program, as required by ORS 757.365.¹ In docket UM 1452, the Commission established volumetric incentive rates for solar photovoltaic energy systems.² PacifiCorp is implementing the solar photovoltaic feed-in tariff program (for Pacific Power, the program is known as the Oregon Solar Incentive Program) through Schedules 136 and 137. Additionally, Schedule 204 has been adopted for recovery of the costs authorized under the deferral approved in the docket.³

B. Statutory Authority

PacifiCorp files its Application under ORS 757.259, ORS 757.365(10), and ORS 469A.120(1) and (3).⁴ As discussed in PacifiCorp's initial Application for Deferred Accounting in this docket, ORS 757.365(10) provides the Commission authority,

¹ *In the Matter of a Rulemaking Regarding Solar Photovoltaic Energy Systems (HB 3039)*, Order No. 10-200 (May 28, 2010).

² *In the Matter of Public Utility Commission of Oregon Investigation into Pilot Programs to demonstrate the use and effectiveness of Volumetric Incentive Rates for Solar Photovoltaic Energy Systems*, Order No. 10-198 (May 28, 2010), amended, *In the Matter of Public Utility Commission of Oregon Investigation into Pilot Programs to demonstrate the use and effectiveness of Volumetric Incentive Rates for Solar Photovoltaic Energy Systems*, Order No. 10-304 (Aug. 9, 2010); and *In the Matter of Public Utility Commission of Oregon Solar Photovoltaic Program Draft Report Comments and Recommendations*, Order No. 11-089 (Mar. 17, 2011).

³ *In the matter of PacifiCorp, dba Pacific Power, Application to amortize Oregon Solar Incentive Program Deferred Costs (Schedule 204)*, Order No. 17-516 (Dec. 18, 2017).

⁴ Order No. 17-305 approved Staff's recommendation to approve reauthorization under all three statutes: ORS 757.259, 757.365(10), and 469A.120(1) and (3).

independent of other statutes, to authorize deferral of costs associated with compliance with ORS 757.365(10). Additionally, ORS 469A.120(1) and (3) addresses costs associated with compliance with the Oregon Renewable Portfolio Standards (RPS). Finally, the Commission should reauthorize deferral under ORS 757.259.⁵ The Commission can approve this Application under any of these statutes, and PacifiCorp requests approval under all or any one or more, in the alternative.

B. Request for Reauthorization of Deferral

In this docket, pursuant to Order No. 11-021, the Commission originally authorized deferral of the costs associated with compliance of ORS 757.365 for the 12-month period beginning May 19, 2010.⁶ PacifiCorp seeks reauthorization of this deferral for a 12-month period beginning May 19, 2021.

IV. DEFERRAL OF COSTS

A. Description of Utility Expense.

PacifiCorp requests reauthorization to defer costs associated with the Oregon Solar Incentive Program. After PacifiCorp filed its initial application to defer the costs on May 19, 2010, in docket UM 1483, Commission Staff convened two workshops with interested

⁵ See *In the Matter of PacifiCorp Application for Deferred Accounting Order*, Docket UM 1483, Initial Application (May 19, 2010) for a discussion of the applicable legal standard.

⁶ In 2011, the Commission reauthorized, pursuant to Order No. 11-251, the deferral of the costs with compliance of ORS 757.365 for the 12-month period beginning May 19, 2011. In 2012, the Commission reauthorized, pursuant to Order No. 12-370, the deferral of the costs with compliance with ORS 757.365 for the 12-month period beginning May 19, 2012. In 2013, the Commission reauthorized, pursuant to Order No. 13-249, the deferral of the costs with compliance of ORS 757.365 for the 12-month period beginning May 19, 2013. In 2014, the Commission reauthorized, pursuant to Order No. 14-208 the deferral of the costs with compliance of ORS 757.365 for the 12-month period beginning May 19, 2014, Order No. 15-360 reauthorized the deferral of these costs for the 12-month period beginning May 19, 2015, Order No. 16-411 reauthorized the deferral of these costs for the 12-month period beginning May 19, 2016, Order No. 17-305 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2018, Order No. 19-230 reauthorized the deferral for the 12-month period beginning May 19, 2019, and Order No. 20-196 reauthorized the deferral for the 12-month period beginning May 19, 2020.

parties on August 18, 2010, and September 21, 2010, to discuss PacifiCorp’s deferral application, along with Portland General Electric Company’s similar deferral application. Through these workshops, the utilities, Commission Staff, and interested stakeholders reached agreement on a number of issues related to the deferrals for solar incentive programs, including the timing of filings, formats and types of costs to be recovered through the deferral. The costs to be deferred would include any administrative, marketing, metering, incentive payments and any other costs incurred by PacifiCorp for purposes of implementing the pilot program, consistent with this agreement. For this program year through April 2021, PacifiCorp has deferred approximately \$1.98 million of costs associated with the program.

B. Reasons for Deferral

As described above, ORS 757.365 requires the implementation and administration of the Oregon Solar Incentive Program. The statute also provides that prudently incurred costs associated with compliance with the statute are recoverable in rates. Moreover, the renewable energy certificates associated with generation sold to the utility under ORS 757.365 may be used to comply with the Oregon RPS, which also requires cost recovery of prudently incurred costs associated with compliance.⁷ Costs associated with compliance with ORS 757.365 are not currently included in rates. Accordingly, reauthorization of the deferral application is necessary to allow for recovery of the costs as contemplated by ORS 757.365(10) and ORS 469A.120(1). Reauthorization of deferred accounting will allow PacifiCorp to continue to match the benefits that customers will be receiving with the costs to the company of providing those benefits.

⁷ ORS 469A.120(1).

C. Proposed Accounting.

During the period of deferral, PacifiCorp proposes to account for the deferred costs of the Oregon Solar Incentive Program by recording the deferral in Account 182.3, Other Regulatory Assets. In the absence of the Commission’s approval of this Application, PacifiCorp would not incur the cost for the program. Were such costs incurred, however, they would be recorded in Account 908, Customer Assistance Expenses.

D. Estimate of Amounts.

Costs and expenses of the Oregon Solar Incentive Program include the payment of volumetric incentive rates and program administration costs to implement and administer the program. Attachment 2 to PacifiCorp’s Advice No. 10-022⁸ contains a description of the types of incremental costs, by cost category, to be included in the deferral. PacifiCorp estimates that the costs may range from \$4.6 million to \$4.8 million during the May 19, 2021 through May 18, 2022 deferral period. Changes in the incentive rate established by the Commission, as well as differences between actual and projected generation due to weather conditions, may impact this estimate.

E. Notice.

A copy of the Notice of Application and a list of persons served with the Notice are attached to this Application as Exhibit A.

V. CONCLUSION

Continued deferral of the costs described in this Application is necessary to allow recovery of prudently incurred costs associated with compliance with ORS 757.365 and the Oregon RPS. PacifiCorp’s Application is appropriate under the applicable statutes and meets

⁸ Advice No. 10-022 approved in Commission Public Meeting on December 28, 2010, effective with service rendered on and after January 1, 2011.

the requirements of OAR 860-027-0300. PacifiCorp respectfully requests that the Commission reauthorize PacifiCorp to defer costs associated with compliance with ORS 757.365(10), ORS 469A.120(1) and (3), or ORS 757.259.

Respectfully submitted this 18th day of May, 2021.


By: 
Matthew D. McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

EXHIBIT A

EXHIBIT A
BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1483(11)

In the Matter of
PACIFICORP d/b/a PACIFIC POWER
Application for Reauthorization for
Deferred Accounting


**NOTICE OF APPLICATION FOR
REAUTHORIZATION FOR
DEFERRED ACCOUNTING**

On May 18, 2021, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing the use of deferred accounting for expenses associated with a photovoltaic pilot program required by ORS 757.365. If granted, the reauthorization will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding. To obtain a copy of the application, contact the following:

Oregon Dockets
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Any person may submit to the Commission written comment on the application, in accordance with the procedures prescribed by the Commission. The deadline for comments on the application is 25 days from the filing of the application.

Respectfully submitted on May 18, 2021.

By: 
Matthew D. McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of PacifiCorp's Notice of Application on the parties listed below via electronic mail and/or US mail in compliance with OAR 860-001-0180.

UM 1483

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Dated this 18th of May, 2021.



Katie Savarin
Coordinator, Regulatory Operations