

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 24, 2015

REGULAR _____ CONSENT X EFFECTIVE DATE March 25, 2015

DATE: March 10, 2015

TO: Public Utility Commission

FROM: George R. Compton *GRC*

THROUGH: *E* Jason Eisdorfer and Marc Hellman *H*

SUBJECT: PACIFIC POWER: (Advice No. 15-003) Revises Schedule 215, Irrigation Time-of-Use Pilot, for its second, and final, year.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve PacifiCorp's (Company's) proposed revisions to its Schedule 215, Irrigation Time-of-Use Pilot.

DISCUSSION:

On February 13, 2015, PacifiCorp filed Advice No. 15-003, proposing to revise Schedule 215, Irrigation Time-of-Use Pilot, for its second, and final, year. The first year of the pilot was disappointing insofar as, out of a target of 50, only six customers participated in the pilot – despite a keen interest by all parties in making electricity for agricultural pumping more affordable. This year the Company proposes to increase the on-peak to off-peak price ratio from four to five in order to facilitate greater savings from off-peak energy consumption. (The on-peak demarcation is already attractively low – 2:00 p.m. to 6:00 p.m., Monday through Friday.) The participation target is 75 this year. PacifiCorp hopes that by dropping Albany and limiting its focus to the Klamath area will allow it “to better focus [its] outreach to achieve higher participation.” To limit participation risk, the following “guarantee payment” clause will remain in effect: The amount by which a participant's cumulative summer billing exceeds by ten percent what it would have been under the standard rate will be credited back to the customer.

The proposed on-peak rate is 31.765 cents and the proposed off-peak rate is 6.291 cents. The revised time-of-use price has also been designed to be revenue neutral. That means that if a customer with an average use profile does not alter his consumption pattern, his monthly bill will be the same as it would have been under the

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present 9.452 cent Schedule 41 rate. The share of average Schedule 41 customer's load that is on-peak is now 12.4 percent. A customer who shifts that portion of his load entirely to the off-peak period will have the energy portion of his bill reduced by a third; however, staff does not anticipate this level of change but notes it for informational purposes. The PacifiCorp proposed rate design changes are reasonable, especially given the prior lack of participation.

PROPOSED COMMISSION MOTION:

PacifiCorp's proposed revisions to its Schedule 215, Irrigation Time-of-Use Pilot, be approved, effective March 25, 2015.

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