

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 3, 2019**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** December 4, 2019

DATE: November 18, 2019

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Michael Dougherty and John Crider **SIGNED**

SUBJECT: PACIFIC POWER:
(Docket No. ADV 1022/Advice No. 19-011)
Requests housekeeping revisions to Rule 7.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Pacific Power's (PacifiCorp or Company) Docket No. ADV 1022, effective December 4, 2019, as requested.

DISCUSSION:

Issue

Whether the Commission should allow PacifiCorp to allow the offering of unmetered service for small usage devices.

Applicable Law

The Company's filing involves tariff sheets that are governed by ORS 757.205 and OAR 860-022-0025. Under ORS 757.205(1), a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time. Tariff revisions or corrections may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0005 and OAR 860-022-0025.

Filings that make any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the changes. Under

OAR 860-021-0125, the current 15-day due and payable period is the minimum, but there is no maximum.

Analysis

On October 11, 2019, PacifiCorp submitted this filing to update the Company Rule 7 on unmetered service for small usage devices to include the offering of unmetered service option for small usage devices with rated capacity of less than 2,000 watts per point of connection, when, at the sole discretion of the company, usage is impractical and/or unsafe to meter.

The Company proposes the following change to Rule 7:

1. Kilowatt hours for unmetered service will be based on the capacity of the equipment served at a 100 percent load factor. Billing will be determined by multiplying 730 hours by the kilowatt capacity to determine kilowatt hours. In contrast, the kilowatt hours of a metered service is based on the usage measured by the meter.

PacifiCorp asserts that it is necessary to offer this service due to requests from the communications industry installing infrastructure necessary to expand fourth generation broadband cellular network technology (4G) networks and the addition of fifth generation broadband cellular network technology (5G) networks. The high density demand areas are typically commercial areas that offer little or no space for meter pedestals or other non-pole amount equipment. In many cases, additional structures may not be permitted. PacifiCorp has also heard from carriers that meter installation challenges are a major impediment to their buildout of cell networks. Accordingly, PacifiCorp proposes to offer these small usage customers on deemed usage with periodic true-ups to ensure correct collections. True-ups ensure that there is no cost-shifting to other customers, given the unmetered nature of the service.

Assuming 200 watts is the total capacity of the connected equipment, the billing would be based upon 200 watts divided by 1,000 watts per kilowatt multiplied by 730 hours, which would yield 146 kilowatt hours. Each month, installation would be billed for 146 kilowatt hours under Schedule 23.

Further, PacifiCorp anticipates the revenue will recover the cost of service on an ongoing basis. The additional costs for the unmetered service will be any field visits to periodically verify the nameplate capacity rating of equipment – which is the wattage basis for the billing. Offsetting the cost of field visits are the avoided field visit costs of

meter testing, the savings of not placing a meter, and the potential additional revenue from billing based upon 100 percent load factor.

After review, Staff concludes that PacifiCorp's proposed unmetered service PacifiCorp should be approved. Staff reviewed the seven-request information and the proposed schedule changes, and identified no issues or errors with the filing and recommends the Commission approve the tariff changes as filed.

Conclusion

Staff supports Commission adoption of the Company's filing.

PROPOSED COMMISSION MOTION:

Approve PacifiCorp's Advice No. 19-011 to go into effect for service rendered on and after December 4, 2019.