



Oregon

Kate Brown, Governor

Public Utility Commission

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July 27, 2021



BY EMAIL

PacifiCorp

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RE: Advice No. 21-015

At the public meeting on July 27, 2021, the Commission adopted Staff's recommendation in this matter docketed as ADV 1285. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Salome for

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: July 27, 2021**

REGULAR **CONSENT** **EFFECTIVE DATE** July 28, 2021

DATE: July 14, 2021

TO: Public Utility Commission

FROM: Curtis Dlouhy

THROUGH: Bryan Conway, John Crider, and Matt Muldoon **SIGNED**

SUBJECT: PACIFIC POWER:
(Docket No. ADV 1285/Advice No. 21-015)
Update of Schedule 90 – Summary of Effective Rate Adjustments and
creation of Schedule 94 – Wildfire Mitigation and Vegetation Management
Cost Recovery Adjustment.

STAFF RECOMMENDATION:

Approve Pacific Power’s (PacifiCorp, PAC, or Company) Advice No. 21-015, which updates Schedule 90 and the Tariff Index, and adds Schedule 94, implementing the Wildfire Mitigation and Vegetation Management (WMVM) Cost Recovery Adjustment rate schedule for the WMVM Mechanism, for service rendered on and after July 28, 2021.

DISCUSSION:

Issue

Whether the Oregon Public Utility Commission (OPUC or Commission) should approve PacifiCorp’s proposal to add Schedule 94, which adds a new tariff that implements the WMVM Cost Recovery Adjustment rate schedule for the WMVM Mechanism, and the associated updates the Schedule 90 and the Tariff Index.

Applicable Law

ORS 757.205 requires public utilities to file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time.

ORS 757.210 (1)(a) states a utility must show that a proposed rate or schedule of rates is fair, just, and reasonable. The Commission may authorize a rate or schedule of rates only if it is deemed to be fair, just, and reasonable.

ORS 757.220 and OAR 860-022-0015 state that energy utilities must provide the Commission with at least 30 days' notice prior to the effective date for any change in rates, tolls, charges, rules, or regulations.

OAR 860-022-0005 defines the required formatting all large energy utilities must use when making tariff submissions to the Commission.

OAR 860-022-0025 illustrates energy utility requirements for filing tariffs or changes to rate schedules.

Analysis

Background

On June 23, 2021, PacifiCorp filed Advice No. 20-015 requesting to create Schedule 94. The filing also requested to update Schedule 90 and the Tariff Index to accommodate the addition of Schedule 94. The Company's new schedule proposes to add a new tariff to recover costs associated with its WMVM mechanism that was adopted in Order No. 20-473 and approved for a three-year period as part of its most recent general rate case.¹

The tariff proposes to recover incremental costs of its WMVM mechanism through a distribution charge on a per kilowatt-hour basis that would apply to all distribution customers. The Company held workshops with Staff and stakeholders to understand the proposed tariff.

The purpose of this filing is only to establish the structure of this tariff. As such, all rates in Schedule 94 are initially set to \$0 per kWh. Per Commission Order No. 20-473, the first filing for an annual adjustment will occur May 5, 2022, with an effective date of November 5, 2022.

Analysis

Staff finds no issues with the language in the Company's proposed tariffs or Schedule 94 itself. Although there is no impact to customer rates at this moment, Staff notes that there will be in the near future. As was pointed out in Commission Order No. 20-473, wildfire mitigation is an emerging field and significant costs may manifest as the field evolves. The Commission also stated that the Company will have to show that the

¹ *In re PacifiCorp*, OPUC Docket No. UE 374, Order No. 20-473 at 120 (Dec. 18, 2020).

mechanism associated with Schedule 94 is effective at incentivizing improvements in their WMVM practices at the end of the three-year period approved for the WMVM mechanism.²

Conclusion

Based on Staff's analysis and discussions with the Company, Staff finds that the newly proposed Schedule 94 establishes an appropriate rate recovery mechanism, consistent with Commission Order No. 20-473.

PROPOSED COMMISSION MOTION:

Approve PacifiCorp's Advice No. 21-015, which updates Schedule 90 and adds Schedule 94, to add a new WMVM Cost Recovery Adjustment rate schedule for the WMVW Mechanism, for service rendered on and after July 28, 2021.

² IOPUC Order No. 20-473 at 121.

Schedule No.

	SUPPLY SERVICE	
200	Base Supply Service	
201	Net Power Costs – Cost-Based Supply Service	
210	Portfolio Time-of-Use Supply Service	
211	Portfolio Renewable Usage Supply Service	
212	Portfolio Fixed Renewable Energy– Supply Service	
213	Portfolio Habitat Supply Service	
218	Interruptible Service Pilot	
220	Standard Offer Supply Service	
230	Emergency Supply Service	
247	Partial Requirements Supply Service	
276R	Large General Service/Partial Requirements Service – Economic Replacement Power Rider Supply Service	
	ADJUSTMENTS	
90	Summary of Effective Rate Adjustments	
91	Low Income Bill Payment Assistance Fund	
93	Independent Evaluator Cost Adjustment	
94	Wildfire Mitigation and Vegetation Management Cost Recovery Adjustment	(N)
95	Pilot Program Cost Adjustment	
96	Property Sales Balancing Account Adjustment	
97	Intervenor Funding Adjustment Cost Recovery Adjustment	
98	Adjustment Associated with the Pacific Northwest Electric Power Planning and Conservation Act	
101	Municipal Exaction Adjustment	
103	Multnomah County Business Income Tax Recovery	
104	Oregon Corporate Activity Tax Recovery Adjustment	
194	Replaced Meter Deferred Amounts Adjustment	
195	Federal Tax Act Adjustment	
198	Deer Creek Mine Closure Deferred Amounts Adjustment	
202	Renewable Adjustment Clause – Supply Service Adjustment	
203	Renewable Resource Deferral – Supply Service Adjustment	
204	Oregon Solar Incentive Program Deferral – Supply Service Adjustment	
205	TAM Adjustment for Other Revenues	
206	Power Cost Adjustment Mechanism – Adjustment	
207	Community Solar Start-Up Cost Recovery Adjustment	
270	Renewable Energy Rider – Optional	
271	Energy Profiler Online – Optional	
272	Renewable Energy Rider – Optional Bulk Purchase Option	
290	Public Purpose Charge (3%)	
294	Transition Adjustment	
295	Transition Adjustment – Three-Year Cost of Service Opt-Out	
296	Transition Adjustment – Five-Year Cost of Service Opt-Out	
297	Energy Conservation Charge	
299	Rate Mitigation Adjustment	

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SUMMARY OF EFFECTIVE RATE ADJUSTMENTS

The following summarizes the applicability of the Company's adjustment schedules

SUMMARY OF EFFECTIVE RATE ADJUSTMENTS

Schedule	91	93	94	95	96	97	98*	104	194	195	198	202*	203*	204
4	x	x	x	x	x	x	x	x	x	x	x	x	x	x
5	x	x	x	x	x	x	x	x	x	x	x	x	x	x
15	x	x	x	x	x		x	x	x	x	x	x	x	x
23	x	x	x	x	x		x	x	x	x	x	x	x	x
28	x	x	x	x	x		x	x	x	x	x	x	x	x
30	x	x	x	x	x		x	x	x	x	x	x	x	x
41	x	x	x	x	x	x	x	x	x	x	x	x	x	x
47	x	x	x	x	x	x	x	x	x	x	x	x	x	x
48	x	x	x	x	x	x	x	x	x	x	x	x	x	x
51	x	x	x	x	x			x	x	x	x	x	x	x
53	x	x	x	x	x			x	x	x	x	x	x	x
54	x	x	x	x	x			x	x	x	x	x	x	x
60														
723	x	x	x	x	x		x	x	x	x	x	x	x	x
728	x	x	x	x	x		x	x	x	x	x	x	x	x
730	x	x	x	x	x		x	x	x	x	x	x	x	x
741	x	x	x	x	x	x	x	x	x	x	x	x	x	x
747	x	x	x	x	x	x	x	x	x	x	x	x	x	x
748	x	x	x	x	x	x	x	x	x	x	x	x	x	x
751	x	x	x	x	x			x	x	x	x	x	x	x
753	x	x	x	x	x			x	x	x	x	x	x	x
754	x	x	x	x	x			x	x	x	x	x	x	x
848	x		x	x				x						

 (N)
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*Not applicable to all consumers. See Schedule for details.

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SUMMARY OF EFFECTIVE RATE ADJUSTMENTS

The following summarizes the applicability of the Company's adjustment schedules

SUMMARY OF EFFECTIVE RATE ADJUSTMENTS

Schedule	205	206	207	290	293	294*	295*	296*	297*	299
4	x	x	x	x					x	x
5	x	x	x	x					x	x
15	x	x	x	x		x			x	x
23	x	x	x	x		x			x	x
28	x	x	x	x		x			x	x
30	x	x	x	x		x			x	x
41	x	x	x	x		x			x	x
47	x	x	x	x		x			x	x
48	x	x	x	x		x			x	x
51	x	x	x	x		x			x	x
53	x	x	x	x		x			x	x
54	x	x	x	x		x			x	x
60				x						
723	x	x	x	x		x			x	x
728	x	x	x	x		x			x	x
730	x	x	x	x		x	x	x	x	x
741	x	x	x	x		x			x	x
747	x	x	x	x		x	x	x	x	x
748	x	x	x	x		x	x	x	x	x
751	x	x	x	x		x			x	x
753	x	x	x	x		x			x	x
754	x	x	x	x		x			x	x
848				x	x					

*Not applicable to all consumers. See Schedule for details.

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**WILDFIRE MITIGATION AND VEGETATION MANAGEMENT COST RECOVERY
ADJUSTMENT**

Purpose

The purpose of this schedule is to implement the wildfire mitigation and vegetation management cost recovery mechanism consistent with Order No. 20-473.

Applicable

To all Residential and Nonresidential Consumers.

Monthly Billing

All bills calculated in accordance with Schedules contained in the presently effective Tariff will have applied an amount equal to the product of all kWh multiplied by the following applicable rate as listed by Delivery Service schedule.

Schedule 4	0.000 ¢ per kWh
Schedule 5	0.000 ¢ per kWh
Schedule 15	0.000 ¢ per kWh
Schedule 23, 723	0.000 ¢ per kWh
Schedule 28, 728	0.000 ¢ per kWh
Schedule 30, 730	0.000 ¢ per kWh
Schedule 41, 741	0.000 ¢ per kWh
Schedule 47, 747	0.000 ¢ per kWh
Schedule 48, 748, 848	0.000 ¢ per kWh
Schedule 51, 751	0.000 ¢ per kWh
Schedule 53, 752	0.000 ¢ per kWh
Schedule 54, 754	0.000 ¢ per kWh

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