

January 10, 2022

VIA ELECTRONIC FILING

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

RE: UM 2211—PacifiCorp’s Comments Regarding Staff’s House Bill 2475 Proposal for Implementation of Differential Rates and Programs

PacifiCorp, dba Pacific Power & Light Company (PacifiCorp or Company), appreciates the opportunity to provide comments in response to the Public Utility Commission of Oregon (Commission) Staff’s letter proposing the timing for utility rate design and help inform program proposals and baseline evaluation criteria. PacifiCorp appreciates and is encouraged by the Commission’s leadership in coordinating efforts to help guide the implementation of programs and rate filings in response to House Bill (HB) 2475. PacifiCorp agrees with most of Staff’s proposed evaluation criteria and offers the following comments.

Utility Proposal Filing Date

Staff’s proposal requests that the utilities file interim proposals by March 31, 2022, with an effective date no later than May 1, 2022. PacifiCorp plans to file general rate cases (GRC) in Oregon and California in March 2022 and the analysts responsible for developing and drafting the Company’s interim proposals would not be able to give this proposal their utmost attention until the GRC is completed. PacifiCorp intends to file an interim rate proposal expeditiously but is concerned with the expectation that the filing will take place in the first quarter of 2022 and be effective by May 1, 2022, as it would not allow for sufficient time to develop the program and engage with stakeholder communities prior to filing. PacifiCorp is planning to file its interim proposal in late April/early May 2022.

Proposed Baseline Evaluation Criteria

Eligibility

PacifiCorp is committed to aligning eligibility requirements for a low-income rate schedule with existing income thresholds for both federal and state requirements. Categorical eligibility will facilitate the application process for customers by reducing barriers and minimize administration costs. As an example, a customer receiving Low Income Energy Assistance Program funding could automatically be enrolled in the applicable rate. PacifiCorp intends to develop a tiered income-based rate to provide varying support dependent on financial need. PacifiCorp supports a larger discount for the lowest income customers while recognizing customers with slightly higher incomes still require assistance. Until the rate design is completed, it is unclear if self-

certification is a viable option. A further review is needed to determine the administration costs of implementing, supporting, and auditing a self-certification program. PacifiCorp's California Alternative Rates for Energy (CARE) tariff requires routine auditing of customer self-certification applications. The audit includes an income verification component and a separate high energy use income verification. CARE also provides a flat discount on net energy costs of 20 percent. To provide a more nuanced and comprehensive program for Oregon customers, the enrollment method and corresponding costs will need to be reviewed as part of the rate's cost analysis.

Tracking & Accounting

PacifiCorp agrees tracking data and the subsequent analysis of the data is imperative to accurately evaluate and assess the impact of a low-income energy rate. Utility metrics can include the number of participants, the geographic location of customers, and an average savings. Traditionally other organizations like Oregon Housing and Community Services tracks demographic information. Perhaps a process to integrate data from multiple sources and agencies may offer similar information without duplication of efforts. PacifiCorp believes further discussion is required on metrics not traditionally tracked by utilities, the cadence of the reporting and the level of detail, i.e., zip code, needed to provide meaningful data.

Bundling

PacifiCorp anticipates collaboration with the Energy Trust for designated low-income customers. As part of HB 3141 expansion of the public purpose charge and corresponding goals to include weatherization programs to low-income customers and vulnerable communities will reveal emerging opportunities. Reduced rates provide partial relief to customers with high energy burden by reducing the cost per kilowatt-hour, and with weatherization and other energy efficiency programs, customers can reduce the amount of energy consumed. The low-income rate is the first lever to pull with an evaluation of impact on energy burden tied to future programs.

Outreach & Engagement

PacifiCorp supports Staff's recommendations for outreach and engagement and plans to leverage the experience and learnings from the outreach and engagement implemented during the COVID moratorium to help reach disadvantaged communities. PacifiCorp's outreach extended beyond customers with past due balances and included evaluation of energy burden, county poverty rates, black, indigenous, and people of color populations, and COVID case by county. PacifiCorp intends to take a similar approach to try and reach customers struggling with electric bills.

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PacifiCorp appreciates the opportunity to provide comments in response to Staff's letter and looks forward to having continued discussion with all the stakeholders regarding the implementation of rate design and programs to help ease energy burden to our customers.

Sincerely,

A handwritten signature in blue ink that reads "Shelley McCoy". The signature is written in a cursive, flowing style.

Shelley McCoy
Director, Regulation