

December 13, 2024

VIA ELECTRONIC FILING

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

RE: UM 2223(2)—PacifiCorp’s Application for Reauthorization of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act

PacifiCorp d/b/a Pacific Power submits for filing its Application for Reauthorization of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act.

PacifiCorp respectfully requests that all communications related to this filing be addressed to:

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

Carla Scarsella
Deputy General Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: carla.scarsella@pacificorp.com

Additionally, PacifiCorp requests that all formal information requests regarding this matter be addressed to:

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

Sincerely,



Matthew McVee
Vice President, Regulatory Policy and Operations

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2223(2)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred
Accounting for Costs and Revenues Associated
with House Bill 2475 Energy Affordability Act

**APPLICATION FOR
REAUTHORIZATION OF
DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rule (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) submits this application to the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferred accounting to track the costs and revenues associated with House Bill (HB) 2475 Energy Affordability Act. PacifiCorp respectfully requests reauthorization for the 12 months beginning on January 6, 2024.

II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

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

Carla Scarsella
Deputy General Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: carla.scarsella@pacificorp.com

In addition, the Company requests that all data 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, OR 97232

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

III. BACKGROUND

In May 2021, the Governor of Oregon signed into law HB 2475, the Energy Affordability Act. This bill amends ORS 757.230 (1) to provide that utilities may take into account the “differential energy burdens on low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers” when designing rates and provides utilities with the opportunity to offer a bill discount to income-qualified eligible residential customers.

On January 6, 2022, PacifiCorp filed an application for authorization to defer the incremental costs and revenues associated with implementation and administration of HB 2475. The Commission approved the deferral application on March 24, 2022, in Order No. 22-094, to defer costs and revenues to implement rate mitigation measures authorized under HB 2475(7)(1). However, in Order 22-094, PacifiCorp was directed to establish a separate deferral account to track the incremental administrative costs associated with the rate mitigation measures.¹

On June 16, 2022, PacifiCorp filed Advice No. 22-008/docket UE 409 to implement Schedule 7, Low-Income Discount, its interim low-income bill discount for residential

¹ On March 29, 2022, in accordance with Order No. 22-094, PacifiCorp filed an application under docket UM 2238 to defer the incremental administrative costs associated with HB 2475. The Commission approved the deferral application on June 2, 2022, in Order No. 22-198, for the 12 months beginning on March 29, 2022.

customers.² The filing also included implementation of Schedule 92, Low-Income Discount Cost Recovery Adjustment. The Commission approved the Company's filing on in Order No. 22-317.³

On January 6, 2023, PacifiCorp filed for reauthorization to continue deferral of the costs and revenues to implement rate mitigation measures authorized under HB 2475(7)(1) for the 12-month period beginning on January 6, 2023. The Commission approved the filing on June 22, 2023, in Order No. 23-215.

IV. DEFERRAL OF COSTS

In this application, PacifiCorp requests reauthorization to continue deferral of the costs and revenues to implement rate mitigation measures authorized under HB 2475(7)(1) for the 12-month period beginning on January 6, 2024. As required by OAR 860-027-0300(3) and (4), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp will track the costs and revenues to implement rate mitigation measures authorized under HB 2475(7). Specifically, the balancing account will track the ongoing difference between the low-income discounts provided to customers under Schedule 7 and the amount recovered through Schedule 92. Incremental costs associated with the administration of rate mitigation measures will be tracked separately under the deferral account authorized in docket UM 2238.⁴

² In the Matter of PacifiCorp, dba Pacific Power, Advice No. 22-008 (ADV 1412) Residential Low Income Bill Discount, Docket No. UE 409, Advice No. 22-008.

³ Docket No. UE 409, Order No. 22-317 (Sept. 1, 2022).

⁴ In the Matter of PacifiCorp, dba Pacific Power, Application for Reauthorization to Defer Administrative Costs Associated with House Bill 2475 Energy Affordability Act, Docket No. UM 2238.

B. Reasons for Deferral

As discussed above, PacifiCorp requests authorization to continue deferral of the incremental costs and revenues to implement HB 2475. ORS 757.259(2)(e) allows the deferral of identifiable utility expenses in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne and benefits received by customers. Commission approval of PacifiCorp’s application will support the continued use of an automatic adjustment clause and associated balancing account to track the costs and revenues from the program separate from PacifiCorp’s other costs and revenues. Granting this Application will minimize the frequency of rate changes and match appropriately the costs borne by, and benefits received by customers.

PacifiCorp’s application is consistent with the Commission’s previous approval of deferred accounting applications.

C. Proposed Accounting

If this application is approved, PacifiCorp will continue to record deferred amounts to Federal Energy Regulatory Commission account 182.3, Other Regulatory Assets. This account will accrue interest at the Commission-authorized rate for deferred accounts.

D. Estimate of Amounts

PacifiCorp estimates the annual cost for Schedule 7 will be approximately \$12.2 million.

E. Notice

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

F. Entries in the Deferred Account to Date

Exhibit B of the Application provides the entries in the deferred account to date.

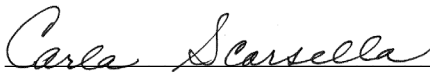
G. Reason for Continuation of Deferred Accounting

As discussed in this application, continuation of this deferral is necessary to track the costs and revenues to implement rate mitigation measures authorized under HB 2475(7).

V. CONCLUSION

For the reasons set forth above, in accordance with ORS 757.259(2)(e), PacifiCorp respectfully requests authorization for a deferred account beginning on January 6, 2024, to track the incremental costs and revenues for associated with HB 2475.

Respectfully submitted this 13th day of December 2023.

By: 
Carla Scarsella
Deputy General Counsel

Attorney for PacifiCorp d/b/a Pacific Power

Exhibit A

Notice of Application

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 2223(2)**

In the Matter of
PACIFICORP d/b/a PACIFIC POWER
Application for Approval of Deferred
Accounting for Costs and Revenues Associated
with House Bill 2475 Energy Affordability Act

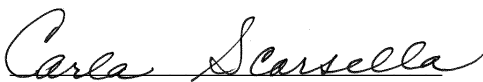
**NOTICE OF
APPLICATION FOR
REAUTHORIZATION OF
DEFERRED ACCOUNTING**

On December 13, 2023, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferred accounting to track the costs and revenues associated with House Bill 2475 Energy Affordability Act. The authorization 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 written comments to the Commission regarding the application within 25 days of the date of this filing.

Respectfully submitted on December 13, 2023.

By: 
Carla Scarsella
Deputy General Counsel

CERTIFICATE OF SERVICE

I certify that a true and correct copy of **PacifiCorp's Notice of Application for Reauthorization of Deferred Accounting** was served on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

Service List UE 399

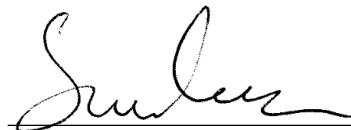
| PACIFICORP | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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| STAFF | |
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| CUB | |
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| OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND OR 97205 dockets@oregoncub.org | |
| FRED MEYER | |
| JUSTIN BIEBER (C) FRED MEYER/ENERGY STRATEGIES LLC 215 SOUTH STATE STREET, STE 200 SALT LAKE CITY, UT 84111 jbieber@energystrat.com | KURT J BOEHM (C) BOEHM KURTZ & LOWRY 36 E SEVENTH ST - STE 1510 CINCINNATI, OH 45202 kboehm@bkllawfirm.com |
| JODY KYLER COHN (C) BOEHM KURTZ & LOWRY 36 E SEVENTH ST - STE 1510 CINCINNATI, OH 45202 jkylerecohn@bkllawfirm.com | |

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| MARIE P BARLOW NEWSUN ENERGY LLC 390 SW COLUMBIA ST STE 120 BEND OR 97702 mbarlow@newsunenergy.net | |
| NIPPC | |
| CARL FINK BLUE PLANET ENERGY LAW LLC 628 SW CHESTNUT ST, STE 200 PORTLAND, OR 97219 cmfink@blueplanetlaw.com | SPENCER GRAY NIPPC sgray@nippc.org |
| OREGON FARM BUREAU | |
| PAUL S SIMMONS (C) OREGON FARM BUREAU FEDERATION 550 CAPITOL MALL STE 1000 SACREAMENTO, CA 95814 psimmons@somachlaw.com | |
| SBUA | |
| GRANT HART (C) SMALL BUSINESS UTILITY ADVOCATES grant@utilityadvocates.org | MARY ANNE COOPER (C) OREGON FARM BUREAU FEDERATION 1320 CAPITOL ST NE STE 200 SALEM, OR 97301 maryanne@oregonfb.org |
| WILLIAM STEELE (C) BILL STEELE AND ASSOCIATES, LLC PO BOX 631151 HIGHLANDS RANCH, CO 80164 w.steele1@icloud.com | DIANE HENKELS (C) SMALL BUSINESS UTILITY ADVOCATES 621 SW MORRISON ST. STE 1025 PORTLAND, OR 97205 diane@utilityadvocates.org |

| | |
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| VITESSE | |
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| IRION A SANGER (C) SANGER LAW PC 4031 SE HAWTHORNE BLVD PORTLAND, OR 97214 irion@sanger-law.com | LIZ FERRELL (C) META PLATFORMS, INC. 1 HACKER WAY MENLO PARK, CA 94025 eferrell@meta.com |
| WALMART | |
| VICKI M BALDWIN (C) PARSONS BEHLE & LATIMER 201 S MAIN ST STE 1800 SALT LAKE CITY, UT 84111 vbaldwin@parsonsbehle.com | |
| ALEX KRONAUER (C) WALMART alex.kronauer@walmart.com | STEVE W CHRISS (C) WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE, AR 72716-0550 stephen.chriss@wal-mart.com |

Dated this 13th day of December, 2023.



Santiago Gutierrez
Coordinator, Regulatory Operations

Exhibit B

OR Low Income Bill Discount

| Period | Beginning Balance | OR Low Income Balancing Account | | Accrued Interest | Ending Balance |
|---------------|-------------------|---------------------------------|--------------------------|----------------------|-----------------|
| | | Sch. 7 | Sch. 92 | | |
| Dec-22 | \$ 39,940.12 | \$ 743,785.95 | \$ (397,281.83) | \$ 323.34 | \$ 386,767.58 |
| Jan-23 | \$ 386,767.58 | \$ 849,811.73 | \$ (395,484.70) | \$ 3,469.94 | \$ 844,564.55 |
| Feb-23 | \$ 844,564.55 | \$ 979,771.08 | \$ (386,108.86) | \$ 5,704.78 | \$ 1,443,931.55 |
| Mar-23 | \$ 1,443,931.55 | \$ 1,029,786.35 | \$ (383,429.43) | \$ 7,554.40 | \$ 2,097,842.86 |
| Apr-23 | \$ 2,097,842.86 | \$ 913,802.47 | \$ (379,371.66) | \$ 10,110.62 | \$ 2,642,384.30 |
| May-23 | \$ 2,642,384.30 | \$ 729,507.28 | \$ (373,051.44) | \$ 12,058.12 | \$ 3,010,898.26 |
| Jun-23 | \$ 3,010,898.26 | \$ 695,461.86 | \$ (390,149.61) | \$ 13,524.19 | \$ 3,329,734.70 |
| Jul-23 | \$ 3,329,734.70 | \$ 804,782.03 | \$ (402,548.01) | \$ 15,094.39 | \$ 3,747,063.11 |
| Aug-23 | \$ 3,747,063.11 | \$ 974,916.64 | \$ (422,213.04) | \$ 17,200.10 | \$ 4,316,966.81 |
| Sep-23 | \$ 4,316,966.81 | \$ 889,705.71 | \$ (395,748.50) | \$ 19,510.87 | \$ 4,830,434.89 |
| Oct-23 | \$ 4,830,434.89 | \$ 817,961.75 | \$ (378,000.54) | \$ 21,590.53 | \$ 5,291,986.62 |
| Nov-23 | \$ 5,291,986.62 | \$ 1,112,692.10 | \$ (374,404.91) | \$ 24,201.33 | \$ 6,054,475.15 |
| | | <u>\$ 10,541,984.95</u> | <u>\$ (4,677,792.53)</u> | <u>\$ 150,342.60</u> | |