

**PUBLIC UTILITY COMMISSION OF OREGON
INTEROFFICE CORRESPONDENCE**

DATE: December 28, 2022
TO: Bryan Conway through Marc Hellman
FROM: Matt Muldoon, John Fox, Curtis Dlouhy, Bret Stevens, Ishraq Ahmed, and Rose Pileggi
SUBJECT: Verification of PacifiCorp, (PacifiCorp, PAC or Company) Tariff Rates Effective January 1, 2023
Compliance Filing Advice No. 22-017

In Order No. 22-491 (Order) entered December 16, 2022, in Docket No. UE 399, the Public Utility Commission of Oregon (Commission) adopted three revenue requirement and rate spread/rate design stipulations. As a result of UE 399, the Company's revenue requirement is set to increase by \$49.2 million, about 4 percent, or \$46.7 million or 3.7 percent on a net basis including the impact of updates to adder rates. For a typical residential customer using 900 kWh a month, the change in total bill is \$7.94, and represents an 8.6 percent increase.

In response to the Order, PacifiCorp submitted its Compliance Filing Advice No. 22-017 on December 22, 2022, and Replacement Page Filing to 22-017 on December 28, 2022 (Advice Filing). The Replacement Page Filing of tariff sheet 754 remedied a Staff-detected scrivener error to now correctly read, "Fifth Revision of Sheet No. 754 Canceling Fourth Revision of Sheet No. 754". The Replacement Page Filing also provided replacement tariff sheets for Schedules 41 and 741 to remedy agricultural service rate errors detected in Staff's review.

Staff has reviewed the Advice Filing and finds it complies with the Commission's Order. The checks and analytic tasks required to affirm the accuracy of rates were:

- Confirm the revenue target is correctly calculated in the Company's revenue requirement work papers based on the Commission directed amounts found within the Order.
- Confirm that the proper load forecast was used to generate the values in the Order.
- Confirm from the Rate Spread and Design spreadsheet and PacifiCorp work papers that the proposed tariff prices are calculated to produce revenues in accordance with the Commission's order in this case. Staff confirmed that the rates and percentage increases to each customer class contained in the attachment to the Order match the values in the Company's work papers.
- Confirm the calculation of rate spread for base schedules (excluding power costs) is properly reflected in the Company's Rate Spread and Design work paper and resulting Tariff sheets.
- Confirm that The Company's inputs for pricing are consistent and accurate.

- Verify accurate implementation of all changes, including tariff language changes, authorized by the Commission.
- Confirm that the tariff sheets are properly updated with the rates present in the Rate Spread and Design worksheet, advice number, revision number, date, and any other appropriate language changes.
- Confirmed with the declarations of Allen Berreth, Vice President Transmission and Distribution Operations, Curtis B. Mansfield, Senior Vice President Transmission and Distribution, William Comeau, Vice President Customer Experience and Innovation, Richard A. Vail, Vice President Transmission, and Brad Richards, Vice President Thermal Generation, PacifiCorp has properly attested that all capital projects included in rate base in this case have been completed and placed in service, and that this general rate case reflects the actual cost of each such project.

Staff reviewed PacifiCorp's detailed revenue requirement work papers underlying the filed tariffs, inclusive of supplement, and finds that the calculations therein agree to the stipulated amounts approved by the Commission.

Staff recommends that an acknowledgement letter be sent, and the tariff sheets as currently filed be allowed to go into effect for service rendered on and after January 1, 2023.