PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

April 22, 2022

VIA ELECTRONIC FILING

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

RE: UE 399—PacifiCorp's Motion to Supplement the Initial Filing

PacifiCorp d/b/a Pacific Power submits for filing its Motion to Supplement the Initial Filing in the above-referenced docket. Confidential information is submitted subject to Order No. 22-044.

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

Sincerely,

Shelley McCoy

Shelley McCoy
Director, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UE 399

In the Matter of PACIFICORP, d/b/a PACIFIC POWER, Request for a General Rate Increase.	**PACIFICORP'S MOTION TO SUPPLEMENT THE INITIAL FILING**

I. INTRODUCTION

In accordance with OAR 860-001-0490 and the April 11, 2022 ruling consolidating cases, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) respectfully moves to include the record from the consolidated cases in this proceeding. In support of this motion, PacifiCorp has attached the applications and associated filings from those proceedings to this motion. PacifiCorp respectfully requests the Public Utility Commission of Oregon (Commission) grant this motion and supplement the Company's initial filing with the previously filed documents from these dockets.

II. BACKGROUND

On March 1, 2022, PacifiCorp filed an application for a general rate revision, and through that filing has identified a series of deferrals for which the Company is seeking to consolidate into that proceeding. By consolidation, PacifiCorp is seeking to determine ratemaking treatment for these open deferral applications.[1] Additionally, in that filing, PacifiCorp filed testimony supporting the inclusion and amortization of these deferrals

[1] *In the Matter of PacifiCorp d/b/a Pacific Power, Application for a General Rate Revision*, Docket No. UE 399, Exhibit PAC/100, Steward/13-14 (Mar. 1, 2022).

through the Company's revenue requirement.[2] On March 22, 2022, PacifiCorp filed a motion to consolidate deferrals from dockets UM 1964, UM 2134, UM 2142, UM 2167, UM 2185, and UM 2186 into this proceeding. On April 4, 2022, the Commission issued a procedural conference memorandum identifying that any opening testimony on these deferrals be filed on April 22, 2022. On April 11, 2022, the Commission issued a ruling granting PacifiCorp's motion to consolidate.

III. MOTION

While PacifiCorp has already provided testimony in its initial filing[3] on the deferrals included in the March 22 motion, PacifiCorp now moves for the inclusion of the record from these deferrals into these proceeding consistent with OAR 860-001-0490. PacifiCorp has identified the attachments and dockets included in this motion below:

- Attachment A: Docket UM 1964, Deferred Accounting for PacifiCorp's Transportation Electrification Program;[4]
- Attachment B: Docket UM 2134, Deferred Accounting for costs associated with Cedar Springs 2;[5]
- Attachment C: Docket UM 2142, Deferred Accounting for costs associated with Cholla Unit 4 property taxes;[6]

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[2] *Id.*

[3] *In the Matter of PacifiCorp d/b/a Pacific Power, Application for a General Rate Revision*, Docket No. UE 399, Exhibit PAC/1000, Cheung, p. 35, lines 14-17 (Transportation Electrification Program deferral); p. 38, line 11 through p. 39, line 1 (Cedar Springs 2 deferral); p. 37, line 16 through p. 38, line 5 (Cholla Unit 4 property taxes deferral); p. 34, line 18 through p. 35, line 3 (Pryor Mountain REC revenue deferral); and p. 10, lines 29-32 (TB Flats Wind Project deferral) and Exhibit PAC/200, Kobliha/pp 29 – 32 (Non-Contributory Defined Benefit Pension Plans deferral) (Mar. 1, 2022).

[4] *In the Matter of PacifiCorp dba Pacific Power Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electronification Program,* Docket No. UM 1964, Application filed July 27, 2018 (corrected on Jan. 27, 2022), reauthorizations filed on Mar. 24, 2020 (corrected on Jan. 27, 2022) and Mar. 23, 2021 (corrected on Jan. 27, 2022).

[5] *In the Matter of PacifiCorp dba Pacific Power Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120,* Docket No. UM 2134, Application filed Dec. 10, 2020.

[6] *In the Matter of PacifiCorp dba Pacific Power Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Cholla Unit 4 Property Taxes,* Docket No. UM 2142, Application filed Dec. 24, 2020.

- Attachment D: Docket UM 2167, Deferred Accounting for revenues associated with RECs from Pryor Mountain;[7]
- Attachment E: Docket UM 2185, Deferred Accounting for costs associated with Non-Contributory Defined Benefit Pensions Plans;[8] and
- Attachment F: Docket UM 2186, Deferred Accounting for the costs associated for the TB Flats Wind Project.[9]

The list identified above includes all the deferrals which were included in PacifiCorp's March 22 Motion to consolidate. PacifiCorp is not including an attachment for UM 2201, as the Alliance of Western Energy Consumers is the moving party and bears the burden of proof for that deferral. Since PacifiCorp's motion to consolidate was granted, good cause exists to supplement the record in this proceeding with these materials, and PacifiCorp requests the Commission grant this motion.

Respectfully submitted this 22nd day of April, 2022.

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Attorneys for PacifiCorp

[7] *In the Matter of PacifiCorp dba Pacific Power Application for Approval of Deferred Accounting for Revenues Associated with RECs from Pryor Mountain,* Docket No. UM 2167, Application filed May 13, 2021.
[8] *In the Matter of PacifiCorp dba Pacific Power Application for Approval of Deferred Accounting and Accounting Order Related to Non-Contributory Defined Benefit Pensions Plans,* Docket No. UM 2185, Application filed July 27, 2021.
[9] *In the Matter of PacifiCorp dba Pacific Power Application for Approval of Deferred Accounting for Costs Related to a Renewable Resource Pursuant to ORS 469A.120,* Docket No. UM 2186, Application filed July 27, 2021.

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of **PacifiCorp's Motion to Supplement the Initial Filing** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

Service List
UE 399

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Dated this 22nd day of April, 2022.

Mary Penfield
Adviser, Regulatory Operations

Attachment A

Docket UM 1964

Deferred Accounting for PacifiCorp's Transportation Electrification Program

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

January 27, 2022

VIA ELECTRONIC MAIL

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

RE: UM 1964–Errata of PacifiCorp's Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) hereby submits an errata filing to the Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program (Application). Included in this filing is a clean and redline version of the Application reflecting the changes described in more detail below.

On July 18, 2018, PacifiCorp filed the Application requesting approval of deferred accounting related to its Transportation Electrification (TE) Program. PacifiCorp has identified two corrections. First, the Company has identified an inadvertent error regarding the identified interest rate to compute the carrying charge. Specifically, the Application incorrectly identified the modified blended treasury rate instead of the currently authorized rate of return, which is consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279. In the errata, the Company corrects this error by removing references to "the modified blended treasury rate."

Second, the Application stated that funding of the Company's TE Program would occur through Schedule 95. However, since the filing of the Application, Schedule 95 was canceled in Advice Letter 21-022 and the TE Program will now be funded through Schedule 291, Systems Benefits Charge. In the errata, the Company replaces references to "Schedule 95" with "Schedule 291."

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

Sincerely,

Shelley McCoy

Shelley E. McCoy
Director, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM _____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program.	**APPLICATION FOR DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power submits this application to the Public Utility Commission of Oregon (Commission) for an order authorizing the company to establish and maintain a balancing account to record the deferral of program costs and revenues related to PacifiCorp's Transportation Electrification Program (TE Program). PacifiCorp proposes to record in the balancing account the costs associated with the TE Program as described in the company's application filed per OAR 860-087-0030 and approved by the Commission in Order No. 18-075 in docket UM 1810.[1] In addition, PacifiCorp will record in the balancing account the revenue collected from a tariff rider recovering the cost of the TE Program, and the revenue and credits from charging stations and the Oregon Clean Fuels Program related to the TE Program.

II. NOTICE

Communications regarding this application should be addressed to:

[1] *In the Matter of PacifiCorp dba Pacific Power Application for Transportation Electrification Programs,* Docket No. UM 1810, Order No. 18-075 (Feb. 27, 2018).

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

Matthew McVee
Chief Regulatory Counsel
PacifiCorp
825 NE Multnomah Street, Suite 1800
Portland, OR 97232
Email: matthew.mcvee@pacificorp.com

In addition, PacifiCorp 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 Natasha Siores, Manager, Regulatory Affairs, at (503) 813-6583.

III. BACKGROUND

In compliance with OAR 860-087-0030, PacifiCorp filed an application proposing approval of programs to accelerate transportation electrification on December 27, 2016, with a supplemental application and supporting testimony filed on April 12, 2017.[2] PacifiCorp's TE Program is comprised of three pilot programs: the Public Charging Pilot, the Outreach and Education Pilot, and the Demonstration and Development Pilot. The company's proposed TE Program application was approved by the Commission in Order No. 18-075. In its application, PacifiCorp proposed cost recovery of the TE Program through Schedule 95[3], Pilot Program Cost Adjustment, along with the use of a balancing account to track actual costs and revenue collections.

[2] *Id* at 2.
[3] Since the TE Program was approved, Schedule 95 was canceled in Advice Letter 21-022 and the program that was funded through Schedule 95 is now funded through Schedule 291, System Benefits Charge.

PacifiCorp will be filing a tariff advice to implement cost recovery of the TE Program through Schedule 291~~95~~, System Benefits Charge~~Pilot Program Cost Adjustment~~. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The company files this deferral application to obtain approval for the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause.

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests authorization under ORS 757.259(2)(e) to establish and maintain a balancing account to record costs and credits related to the company's TE Program, along with related interest~~, at the Modified Blended Treasury Rate,~~ consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279.

As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp proposes to establish and maintain a balancing account to record the costs related to its TE Program, the collection of cost recovery through Schedule 291~~95~~, the collection of revenues from public charging stations established under the TE Program, the receipt of monetized credits from the Oregon Clean Fuels Program, and related interest. The use of a cost-of-service automatic adjustment clause and balancing account will ensure that PacifiCorp's TE Program cost recovery under Schedule 291~~95~~ will not under- or over-collect amounts related to the TE Program.

PacifiCorp anticipates the following costs related to the TE Program, as agreed to by stipulating parties and approved by the Commission in docket UM 1810. PacifiCorp notes that at the time of the TE Program application, these costs were anticipated to occur from fourth quarter of 2017 through the end of 2019. Due to a longer than expected procedural schedule in UM 1810, these costs are now anticipated to occur from mid-2018 through 2020.

PacifiCorp TE Program – Total Budget
($000s)

	2017	2018	2019	Total
Public Charging Pilot	$50.0	$780.0	$1,020.0	$1,850.0
Outreach & Education Pilot	$177.5	$330.0	$330.0	$837.5
Demonstration & Development Pilot	$295.0	$695.0	$695.0	$1,685.0
Other [a]	$57.5	$105.0	$105.0	$267.5
Total	$580.0	$1,910.0	$2,150.0	$4,640.0

[a] Other includes costs for the attribution model/cost effectiveness framework and a pilot study of system impacts of residential electric vehicles. See Order No. 18-075, Appendix A at 6.

PacifiCorp notes that the Public Charging Pilot includes costs related to charging station equipment and installation and program administration that will be classified as capital expenses.[4] For purposes of developing the rates for Schedule 291~~95~~ to recover the company's TE Program costs and for recording in the proposed balancing account, PacifiCorp will calculate a revenue requirement for these capital costs, which will include both a return of and return on investment of these capital costs, consistent with ORS 757.357(5)(a).

B. Reasons for Deferral

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 received by customers. In this application, PacifiCorp

[4] Order No. 18-075, Appendix A at 2.

seeks the use of a balancing account to match the costs borne and benefits received by customers.

C. Proposed Accounting

If this application is approved, PacifiCorp will record deferred TE Program expense amounts by crediting FERC account 906, Customer Service and Informational Expenses, and debiting the TE Program balancing account, in FERC Account 182.3, Other Regulatory Assets. The deferral balance will be reduced monthly by the amount collected under Schedule 291~~95~~ recovering TE Program costs. In addition, revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be credited to the proposed TE Program balancing account. A carrying charge calculated at the ~~current Modified Blended Treasury~~Company's current authorized rate of return will be recorded each month on the deferral balance. If this application is denied, the cost of the TE Program will remain in FERC account 906 and the revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be recorded in FERC account 456, Other Electric Revenues.

D. Estimate of Amounts

PacifiCorp will file an advice letter for approval to recover the costs associated with the TE Program through Schedule 291~~95~~, System Benefits Charge~~Pilot Program Cost Adjustment~~. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The proposed rates will be designed to collect initial TE Program costs over a 12 month period. As mentioned above, deferred costs associated with the TE Program will be recorded in the proposed balancing account and will be offset monthly by the amount collected for the TE Program through Schedule 291~~95~~ along with interested calculated at the Modified Blended Treasury Rate. In addition, revenues collected from the TE Program public charging stations and monetized credits from the Oregon Clean Fuel Program will be credited to the proposed balancing account. Generally, it is expected that the balancing account will zero out over time.

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.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission authorize the company to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization through Schedule 291~~95~~, charging station revenues, Oregon Clean Fuel Program credits and interest.

Respectfully submitted this 27th day of July, 2018.

By: ______________________

Matthew McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM _____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program.	**APPLICATION FOR DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power submits this application to the Public Utility Commission of Oregon (Commission) for an order authorizing the company to establish and maintain a balancing account to record the deferral of program costs and revenues related to PacifiCorp's Transportation Electrification Program (TE Program). PacifiCorp proposes to record in the balancing account the costs associated with the TE Program as described in the company's application filed per OAR 860-087-0030 and approved by the Commission in Order No. 18-075 in docket UM 1810.[1] In addition, PacifiCorp will record in the balancing account the revenue collected from a tariff rider recovering the cost of the TE Program, and the revenue and credits from charging stations and the Oregon Clean Fuels Program related to the TE Program.

II. NOTICE

Communications regarding this application should be addressed to:

[1] *In the Matter of PacifiCorp dba Pacific Power Application for Transportation Electrification Programs,* Docket No. UM 1810, Order No. 18-075 (Feb. 27, 2018).

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

Matthew McVee
Chief Regulatory Counsel
PacifiCorp
825 NE Multnomah Street, Suite 1800
Portland, OR 97232
Email: matthew.mcvee@pacificorp.com

In addition, PacifiCorp 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 Natasha Siores, Manager, Regulatory Affairs, at (503) 813-6583.

III. BACKGROUND

In compliance with OAR 860-087-0030, PacifiCorp filed an application proposing approval of programs to accelerate transportation electrification on December 27, 2016, with a supplemental application and supporting testimony filed on April 12, 2017.[2] PacifiCorp's TE Program is comprised of three pilot programs: the Public Charging Pilot, the Outreach and Education Pilot, and the Demonstration and Development Pilot. The company's proposed TE Program application was approved by the Commission in Order No. 18-075. In its application, PacifiCorp proposed cost recovery of the TE Program through Schedule 95[3], Pilot Program Cost Adjustment, along with the use of a balancing account to track actual costs and revenue collections.

[2] *Id* at 2.
[3] Since the TE Program was approved, Schedule 95 was canceled in Advice Letter 21-022 and the program that was funded through Schedule 95 is now funded through Schedule 291, System Benefits Charge.

PacifiCorp will be filing a tariff advice to implement cost recovery of the TE Program through Schedule 291, System Benefits Charge. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The company files this deferral application to obtain approval for the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause.

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests authorization under ORS 757.259(2)(e) to establish and maintain a balancing account to record costs and credits related to the company's TE Program, along with related interest consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279.

As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp proposes to establish and maintain a balancing account to record the costs related to its TE Program, the collection of cost recovery through Schedule 291, the collection of revenues from public charging stations established under the TE Program, the receipt of monetized credits from the Oregon Clean Fuels Program, and related interest. The use of a cost-of-service automatic adjustment clause and balancing account will ensure that PacifiCorp's TE Program cost recovery under Schedule 291 will not under- or over-collect amounts related to the TE Program.

PacifiCorp anticipates the following costs related to the TE Program, as agreed to by stipulating parties and approved by the Commission in docket UM 1810. PacifiCorp notes that at the time of the TE Program application, these costs were anticipated to occur from fourth quarter of 2017 through the end of 2019. Due to a longer than expected procedural schedule in UM 1810, these costs are now anticipated to occur from mid-2018 through 2020.

PacifiCorp TE Program – Total Budget
($000s)

	2017	2018	2019	Total
Public Charging Pilot	$50.0	$780.0	$1,020.0	$1,850.0
Outreach & Education Pilot	$177.5	$330.0	$330.0	$837.5
Demonstration & Development Pilot	$295.0	$695.0	$695.0	$1,685.0
Other [a]	$57.5	$105.0	$105.0	$267.5
Total	$580.0	$1,910.0	$2,150.0	$4,640.0

[a] Other includes costs for the attribution model/cost effectiveness framework and a pilot study of system impacts of residential electric vehicles. See Order No. 18-075, Appendix A at 6.

PacifiCorp notes that the Public Charging Pilot includes costs related to charging station equipment and installation and program administration that will be classified as capital expenses.[4] For purposes of developing the rates for Schedule 291 to recover the company's TE Program costs and for recording in the proposed balancing account, PacifiCorp will calculate a revenue requirement for these capital costs, which will include both a return of and return on investment of these capital costs, consistent with ORS 757.357(5)(a).

B. Reasons for Deferral

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 received by customers. In this application, PacifiCorp seeks the use of a balancing account to match the costs borne and benefits received by customers.

[4] Order No. 18-075, Appendix A at 2.

C. Proposed Accounting

If this application is approved, PacifiCorp will record deferred TE Program expense amounts by crediting FERC account 906, Customer Service and Informational Expenses, and debiting the TE Program balancing account, in FERC Account 182.3, Other Regulatory Assets. The deferral balance will be reduced monthly by the amount collected under Schedule 291 recovering TE Program costs. In addition, revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be credited to the proposed TE Program balancing account. A carrying charge calculated at the Company's current authorized rate of return will be recorded each month on the deferral balance. If this application is denied, the cost of the TE Program will remain in FERC account 906 and the revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be recorded in FERC account 456, Other Electric Revenues.

D. Estimate of Amounts

PacifiCorp will file an advice letter for approval to recover the costs associated with the TE Program through Schedule 291, System Benefits Charge. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The proposed rates will be designed to collect initial TE Program costs over a 12 month period. As mentioned above, deferred costs associated with the TE Program will be recorded in the proposed balancing account and will be offset monthly by the amount collected for the TE Program through Schedule 291 along with interested calculated at the Modified Blended Treasury Rate. In addition, revenues collected from the TE Program public charging stations and monetized credits from the Oregon Clean Fuel Program will be credited to the proposed balancing account. Generally, it is expected that the balancing account will zero out over time.

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.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission authorize the company to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization through Schedule 291, charging station revenues, Oregon Clean Fuel Program credits and interest.

Respectfully submitted this 27th day of July, 2018.

By: ______________________________
Matthew McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

January 27, 2022

VIA ELECTRONIC MAIL

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

RE: UM 1964(2)–Errata of PacifiCorp's Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) hereby submits an errata filing to the Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program (Application). Included in this filing is a clean and redline version of the Application reflecting the changes described in more detail below.

On July 18, 2018, PacifiCorp filed the Application requesting approval of deferred accounting related to its Transportation Electrification (TE) Program. On April 22, 2020, the PacifiCorp filed a request for reauthorization to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization, charging station revenues, Oregon Clean Fuel Program credits and interest (2020 Reauthorization). PacifiCorp has identified two corrections in its 2020 Reauthorization. First, the Company has identified an inadvertent error regarding the identified interest rate to compute the carrying charge. Specifically, the Application incorrectly identified the modified blended treasury rate instead of the currently authorized rate of return, which is consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279. In the errata, the Company corrects this error by removing references to "the modified blended treasury rate."

Second, the Application stated that funding of the Company's TE Program would occur through Schedule 95. However, since the filing of the Application, Schedule 95 was canceled in Advice Letter 21-022 and the TE Program will now be funded through Schedule 291, Systems Benefits Charge. In the errata, the Company replaces references to "Schedule 95" with "Schedule 291."

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

Sincerely,

Shelley McCoy

Shelley E. McCoy
Director, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 1964(2)

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program.	**AMENDED APPLICATION FOR REAUTHORIZATION OF DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp) submits this amended application to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the company to establish and maintain a balancing account to record the deferral of program costs and revenues related to PacifiCorp's Transportation Electrification Program (TE Program). PacifiCorp proposes to record in the balancing account the costs associated with the TE Program as described in the company's application filed per OAR 860-087-0030 and approved by the Commission in Order No. 18-075 in docket UM 1810.[1] In addition, PacifiCorp will record in the balancing account the revenue collected from a tariff rider recovering the cost of the TE Program, and the revenue and credits from charging stations and the Oregon Clean Fuels Program related to the TE Program. PacifiCorp previously submitted an application for deferral and request for a balancing account in UM 1964 on July 27, 2018, and originally filed for reauthorization on March 24, 2020. The Commission has not yet acted on either filing.

[1] *In the Matter of PacifiCorp dba Pacific Power Application for Transportation Electrification Programs,* Docket No. UM 1810, Order No. 18-075 (Feb. 27, 2018).

II. NOTICE

Communications regarding this application should be addressed to:

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

Matthew McVee
Chief Regulatory Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: matthew.mcvee@pacificorp.com

In addition, PacifiCorp 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, Manager, Regulatory Affairs, at 503-813-5934.

III. BACKGROUND

In compliance with OAR 860-087-0030, PacifiCorp filed an application proposing approval of programs to accelerate transportation electrification on December 27, 2016.[2] PacifiCorp's TE Program is comprised of three pilot programs: the Public Charging Pilot, the Outreach and Education Pilot and the Demonstration and Development Pilot. The company's proposed TE Program application was approved by the Commission in Order No. 18-075. In its application, PacifiCorp proposed cost recovery of the TE Program through

[2] *Id* at 2.

Schedule 95[3], Pilot Program Cost Adjustment, along with the use of a balancing account to track actual costs and revenue collections.

PacifiCorp will be filing a tariff advice to implement cost recovery of the TE Program through Schedule 291~~95~~, System Benefits Charge~~Pilot Program Cost Adjustment~~. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The company filed a deferral application to obtain approval for the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause on July 27, 2018. PacifiCorp sought reauthorization of the deferral in its filing on March 24, 2020. PacifiCorp is submitting this amended request for reauthorization of the deferral application to obtain approval for the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause.

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests reauthorization under ORS 757.259(2)(e) to establish and maintain a balancing account to record costs and credits related to the company's TE Program, along with related interest~~, at the Modified Blended Treasury Rate,~~ consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279.

As required by OAR 860-027-0300(3), PacifiCorp provides the following:

[3] Since the TE Program was approved, Schedule 95 was canceled in Advice Letter 21-022 and the program that was funded through Schedule 95 is now funded through Schedule 291, System Benefits Charge.

A. Description of Utility Expense

PacifiCorp proposes to continue maintaining a balancing account to record the costs related to its TE Program, the collection of cost recovery through Schedule 291~~95~~, the collection of revenues from public charging stations established under the TE Program, the receipt of monetized credits from the Oregon Clean Fuels Program, and related interest. The use of a cost-of-service automatic adjustment clause and balancing account will ensure that PacifiCorp's TE Program cost recovery under Schedule 291~~95~~ will not under- or over-collect amounts related to the TE Program.

The following costs related to the TE Program were agreed to by stipulating parties and approved by the Commission in UM 1810.

PacifiCorp TE Program – Total Budget
($000s)

	2017	2018	2019	Total
Public Charging Pilot	$50.0	$780.0	$1,020.0	$1,850.0
Outreach & Education Pilot	$177.5	$330.0	$330.0	$837.5
Demonstration & Development Pilot	$295.0	$695.0	$695.0	$1,685.0
Other [a]	$57.5	$105.0	$105.0	$267.5
Total	$580.0	$1,910.0	$2,150.0	$4,640.0

[a] Other includes costs for the attribution model/cost effectiveness framework and a pilot study of system impacts of residential electric vehicles. See Order No. 18-075, Appendix A at 6.

PacifiCorp notes that the Public Charging Pilot total budget includes operations and maintenance costs, along with costs related to charging station equipment and installation and program administration that will be classified as capital expenses.[4]

PacifiCorp notes that at the time of the TE Program application, these costs were anticipated to occur from fourth quarter of 2017 through the end of 2019. Due to a longer than expected procedural schedule in UM 1810, these costs began to occur in mid-2018. As

[4] Order No. 18-075, Appendix A at 2.

outlined below, PacifiCorp has incurred the following costs through 2019 and anticipates the following costs will be incurred in 2020.

Oregon Transportation Electrification Pilots to date				
	2018	2019	2020	Total
Public Charging Pilot – capital spend	$ 67,986.90	$ 730,638.74	$ 258,908.75	$ 1,057,534.39
Public Charging Pilot – O&M	$ 1,926.43	$132,579.98	$ 1,612.91	$ 136,119.32
Outreach & Education Pilot – capital spend				$ -
Outreach & Education Pilot – O&M	$ 4,715.80	$ 390,768.90	$ 4,950.05	$ 400,434.75
Demonstration & Development Pilot – capital spend				$ -
Demonstration & Development Pilot – O&M	$ 8,666.39	$ 215,471.05	$ 20,833.26	$ 244,970.70
Other [a] – capital spend				$ -
Other [a] – O&M	$ 33,305.22	$ 18,840.63	$ -	$ 52,145.85
Total	$ 116,600.74	$ 1,488,299.30	$ 286,304.97	$ 1,891,205.01

[a] Other includes costs for the attribution model/cost effectiveness framework and a pilot study of system impacts

B. Reasons for Deferral

ORS 757.259(2)(e) allows the deferral of identifiable utility expenses in order to minimize the frequency of rate changes or- fluctuation of rate levels or to match appropriately the costs borne and received by customers. In this application PacifiCorp seeks the use of a balancing account to match the costs borne and benefits received by customers.

C. Proposed Accounting

If this application is approved, PacifiCorp will record deferred TE Program expense amounts by crediting FERC account 906, Customer Service and Informational Expenses, and debiting the TE Program balancing account, in FERC Account 182.3, Other Regulatory Assets. The deferral balance will be reduced monthly by the amount collected under Schedule 291~~95~~ recovering TE Program costs. In addition, revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE

Program will be credited to the proposed TE Program balancing account. A carrying charge calculated at the Company's current ~~Modified Blended Treasury~~authorized rate of return will be recorded each month on the deferral balance. If this application is denied, the cost of the TE Program will remain in FERC account 906 and the revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be recorded in FERC account 456, Other Electric Revenues.

D. Estimate of Amounts

Please refer to the description of costs in Section A above.

PacifiCorp will file an advice letter for approval to recover the costs associated with the TE Program through Schedule 291~~95~~, System Benefits Charge~~Pilot Program Cost Adjustment~~. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The proposed rates will be designed to collect initial TE Program costs over a 12-month period. As mentioned above, deferred costs associated with the TE Program will be recorded in the proposed balancing account and will be offset monthly by the amount collected for the TE Program through Schedule 291~~95~~ along with interest calculated at the Modified Blended Treasury Rate. In addition, revenues collected from the TE Program public charging stations and monetized credits from the Oregon Clean Fuel Program will be credited to the proposed balancing account. Generally, it is expected that the balancing account will zero out over time.

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.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission reauthorize the company to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization through Schedule 291~~95~~, charging station revenues, Oregon Clean Fuel Program credits and interest.

Respectfully submitted this 22nd day of April, 2020.

By: ______________________

Matthew McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1964(2)

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program.	**AMENDED APPLICATION FOR REAUTHORIZATION OF DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp) submits this amended application to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the company to establish and maintain a balancing account to record the deferral of program costs and revenues related to PacifiCorp's Transportation Electrification Program (TE Program). PacifiCorp proposes to record in the balancing account the costs associated with the TE Program as described in the company's application filed per OAR 860-087-0030 and approved by the Commission in Order No. 18-075 in docket UM 1810.[1] In addition, PacifiCorp will record in the balancing account the revenue collected from a tariff rider recovering the cost of the TE Program, and the revenue and credits from charging stations and the Oregon Clean Fuels Program related to the TE Program. PacifiCorp previously submitted an application for deferral and request for a balancing account in UM 1964 on July 27, 2018, and originally filed for reauthorization on March 24, 2020. The Commission has not yet acted on either filing.

[1] *In the Matter of PacifiCorp dba Pacific Power Application for Transportation Electrification Programs,* Docket No. UM 1810, Order No. 18-075 (Feb. 27, 2018).

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Communications regarding this application should be addressed to:

Oregon Dockets PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: oregondockets@pacificorp.com	Matthew McVee Chief Regulatory Counsel PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: matthew.mcvee@pacificorp.com

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In compliance with OAR 860-087-0030, PacifiCorp filed an application proposing approval of programs to accelerate transportation electrification on December 27, 2016.[2] PacifiCorp's TE Program is comprised of three pilot programs: the Public Charging Pilot, the Outreach and Education Pilot and the Demonstration and Development Pilot. The company's proposed TE Program application was approved by the Commission in Order No. 18-075. In its application, PacifiCorp proposed cost recovery of the TE Program through

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IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests reauthorization under ORS 757.259(2)(e) to establish and maintain a balancing account to record costs and credits related to the company's TE Program, along with related interest consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279.

As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp proposes to continue maintaining a balancing account to record the costs related to its TE Program, the collection of cost recovery through Schedule 291, the collection of revenues from public charging stations established under the TE Program, the

[3] Since the TE Program was approved, Schedule 95 was canceled in Advice Letter 21-022 and the program that was funded through Schedule 95 is now funded through Schedule 291, System Benefits Charge.

receipt of monetized credits from the Oregon Clean Fuels Program, and related interest. The use of a cost-of-service automatic adjustment clause and balancing account will ensure that PacifiCorp's TE Program cost recovery under Schedule 291 will not under- or over-collect amounts related to the TE Program.

The following costs related to the TE Program were agreed to by stipulating parties and approved by the Commission in UM 1810.

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($000s)

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Total	$ 116,600.74	$ 1,488,299.30	$ 286,304.97	$ 1,891,205.01

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B. Reasons for Deferral

ORS 757.259(2)(e) allows the deferral of identifiable utility expenses in order to minimize the frequency of rate changes or fluctuation of rate levels or to match appropriately the costs borne and received by customers. In this application PacifiCorp seeks the use of a balancing account to match the costs borne and benefits received by customers.

C. Proposed Accounting

If this application is approved, PacifiCorp will record deferred TE Program expense amounts by crediting FERC account 906, Customer Service and Informational Expenses, and debiting the TE Program balancing account, in FERC Account 182.3, Other Regulatory Assets. The deferral balance will be reduced monthly by the amount collected under Schedule 291 recovering TE Program costs. In addition, revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE

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D. Estimate of Amounts

Please refer to the description of costs in Section A above.

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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.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission reauthorize the company to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization through Schedule 291, charging station revenues, Oregon Clean Fuel Program credits and interest.

Respectfully submitted this 22nd day of April, 2020.

By: ____________________________
Matthew McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

January 27, 2022

VIA ELECTRONIC MAIL

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

RE: UM 1964(3)–Errata of PacifiCorp's Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) hereby submits an errata filing to the Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program (Application). Included in this filing is a clean and redline version of the Application reflecting the changes described in more detail below.

On July 18, 2018, PacifiCorp filed the Application requesting approval of deferred accounting related to its Transportation Electrification (TE) Program. On March 23, 2021, the PacifiCorp filed a request for reauthorization to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization, charging station revenues, Oregon Clean Fuel Program credits and interest (2021 Reauthorization). PacifiCorp has identified two corrections in its 2021 Reauthorization. First, the Company has identified an inadvertent error regarding the identified interest rate to compute the carrying charge. Specifically, the Application incorrectly identified the modified blended treasury rate instead of the currently authorized rate of return, which is consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279. In the errata, the Company corrects this error by removing references to "the modified blended treasury rate."

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Sincerely,

Shelley McCoy

Shelley E. McCoy
Director, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 1964(3)

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program.	**APPLICATION FOR REAUTHORIZATION OF DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) submits this application to the Public Utility Commission of Oregon (Commission) for an order authorizing the Company to establish and maintain a balancing account and continue the deferral of program costs and revenues related to PacifiCorp's Transportation Electrification Program (TE Program).[1] PacifiCorp previously submitted an application for deferral and request for a balancing account in UM 1964 on July 27, 2018, and originally filed for reauthorization on March 24, 2020, and amended on April 22, 2020. The Commission has not yet acted on these filings. PacifiCorp submits this request for reauthorization of deferred accounting for its TE Program for 12 months beginning March 24, 2021.

II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

[1] *In the Matter of PacifiCorp dba Pacific Power Application for Transportation Electrification Programs,* Docket No. UM 1810, Order No. 18-075 (Feb. 27, 2018).

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

Matthew McVee
Chief Regulatory Counsel
PacifiCorp
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[2] *Id* at 2.
[3] Since the TE Program was approved, Schedule 95 was canceled in Advice Letter 21-022 and the program that was funded through Schedule 95 is now funded through Schedule 291, System Benefits Charge.

On July 27, 2018, PacifiCorp filed an application for approval of the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause. On March 24, 2020, the Company filed an application for reauthorization for deferred accounting for 12 months beginning March 24, 2020. On April 22, 2020, the Company filed an amended application for reauthorization for deferred accounting. PacifiCorp's requests are currently pending before the Commission.

PacifiCorp is submitting this request for reauthorization to obtain approval for the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause.

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests reauthorization under ORS 757.259(2)(e) to establish and maintain a balancing account to record costs and credits related to the Company's TE Program, along with related interest.~~, at the Modified Blended Treasury Rate,~~ consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279.

As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp proposes to continue maintaining a balancing account to record the costs related to its TE Program, the collection of cost recovery through Schedule 291~~95~~, the collection of revenues from public charging stations established under the TE Program, the receipt of monetized credits from the Oregon Clean Fuels Program, and related interest. The use of a cost-of-service automatic adjustment clause and balancing account will ensure that

PacifiCorp's TE Program cost recovery under Schedule 291~~95~~ will not under- or over-collect amounts related to the TE Program.

As agreed to by stipulating parties and approved by the Commission in docket UM 1810, Order No. 18-075, as modified by Order No. 19-087, the budget is capped at $4.64 million during the three-year pilot period.

As outlined below, PacifiCorp has incurred the following costs through 2020 and anticipates the following costs will be incurred in 2021.

Oregon Transportation Electrification Pilots to date

	2018	2019	2020	2021*	Total
Public Charging Pilot – capital spend	$67,986.90	$730,638.74	$905,974.19	$330,000.00	$2,034,599.83
Public Charging Pilot – operation and maintenance (O&M)	$1,926.43	$132,579.98	$107,414.41	$60,400.00	$302,320.82
Outreach & Education Pilot – capital spend					$ -
Outreach & Education Pilot – O&M	$4,715.80	$390,768.90	$199,882.53	$419,632.77	$1,015,000.00
Demonstration & Development Pilot – capital spend					$ -
Demonstration & Development Pilot – O&M	$8,666.39	$215,471.05	$584,276.67	$876,585.89	$1,685,000.00
Other [a] – capital spend					$ -
Other [a] – O&M	$33,305.22	$18,840.63	$14,710.75	$10,200.00	$77,056.60
Total	$116,600.74	$1,488,299.30	$1,812,258.55	$1,696,818.66	$5,113,977.25

[a] Other includes costs for the attribution model/cost effectiveness framework and a pilot study of system impacts
* 2021 is forecasted all other years are actual

B. Reasons for Deferral

ORS 757.259(2)(e) allows the deferral of identifiable utility expenses in order to minimize the frequency of rate changes or fluctuation of rate levels or to match appropriately the costs borne and received by customers. In this application PacifiCorp seeks the use of a balancing account to match the costs borne and benefits received by customers.

C. Proposed Accounting

If this application is approved, PacifiCorp will record deferred TE Program expense amounts by crediting FERC account 906, Customer Service and Informational Expenses, and debiting the TE Program balancing account, in FERC Account 182.3, Other Regulatory Assets. The deferral balance will be reduced monthly by the amount collected under Schedule 291~~95~~ recovering TE Program costs. In addition, revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be credited to the proposed TE Program balancing account. A carrying charge calculated at the Company's current ~~Modified Blended Treasury~~ authorized rate of return will be recorded each month on the deferral balance. If this application is denied, the cost of the TE Program will remain in FERC account 906 and the revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be recorded in FERC account 456, Other Electric Revenues.

D. Estimate of Amounts

Please refer to the description of costs in Section A above.

PacifiCorp will file an advice letter for approval to recover the costs associated with the TE Program through Schedule 291~~95~~, System Benefits Charge~~Pilot Program Cost Adjustment~~. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The proposed rates will be designed to collect initial TE Program costs over a 12-month period. As mentioned above, deferred costs associated with the TE Program will be recorded in the proposed balancing account and will be offset monthly by the amount collected for the TE Program through Schedule 291~~95~~ along with interest calculated at the Modified Blended Treasury Rate. In addition, revenues collected from the TE Program public charging stations and monetized credits from the Oregon Clean Fuel Program will be credited to the proposed balancing account. Generally, it is expected that the balancing account will zero out over time.

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.

V. OAR 860-027-0300(4) REQUIREMENTS

A. Entries in the Deferred Account to Date

A description and explanation of the entries in this deferred account is provided in the Description of Utility Expense section.

B. Reason for Continuation of Deferred Accounting

As discussed in this application, continuation of this deferral is necessary to track the ongoing costs and revenues related to PacifiCorp's TE Program.

VI. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission reauthorize the company to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization through Schedule 291~~95~~, charging station revenues, Oregon Clean Fuel Program credits and interest.

Respectfully submitted this 23rd day of March, 2021.

By: ______________________

Matthew McVee

Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 1964(3)

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for a Balancing Account Related to PacifiCorp's Transportation Electrification Program.	**APPLICATION FOR REAUTHORIZATION OF DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) submits this application to the Public Utility Commission of Oregon (Commission) for an order authorizing the Company to establish and maintain a balancing account and continue the deferral of program costs and revenues related to PacifiCorp's Transportation Electrification Program (TE Program).[1] PacifiCorp previously submitted an application for deferral and request for a balancing account in UM 1964 on July 27, 2018, and originally filed for reauthorization on March 24, 2020, and amended on April 22, 2020. The Commission has not yet acted on these filings. PacifiCorp submits this request for reauthorization of deferred accounting for its TE Program for 12 months beginning March 24, 2021.

II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

[1] *In the Matter of PacifiCorp dba Pacific Power Application for Transportation Electrification Programs,* Docket No. UM 1810, Order No. 18-075 (Feb. 27, 2018).

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

Matthew McVee
Chief Regulatory Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: matthew.mcvee@pacificorp.com

In addition, PacifiCorp 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, Manager, Regulatory Affairs, at (503) 813-5934.

III. BACKGROUND

In compliance with OAR 860-087-0030, PacifiCorp filed an application proposing approval of programs to accelerate transportation electrification on December 27, 2016.[2] PacifiCorp's TE Program is comprised of three pilot programs: the Public Charging Pilot, the Outreach and Education Pilot and the Demonstration and Development Pilot. In its application, PacifiCorp proposed cost recovery of the TE Program through Schedule 95[3], Pilot Program Cost Adjustment, along with the use of a balancing account to track actual costs and revenue collections. The Company's proposed TE Program application was approved by the Commission in Order No. 18-075.

[2] *Id* at 2.
[3] Since the TE Program was approved, Schedule 95 was canceled in Advice Letter 21-022 and the program that was funded through Schedule 95 is now funded through Schedule 291, System Benefits Charge.

On July 27, 2018, PacifiCorp filed an application for approval of the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause. On March 24, 2020, the Company filed an application for reauthorization for deferred accounting for 12 months beginning March 24, 2020. On April 22, 2020, the Company filed an amended application for reauthorization for deferred accounting. PacifiCorp's requests are currently pending before the Commission.

PacifiCorp is submitting this request for reauthorization to obtain approval for the deferred accounting necessary to establish a balancing account to enable the use of a cost-of-service automatic adjustment clause.

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests reauthorization under ORS 757.259(2)(e) to establish and maintain a balancing account to record costs and credits related to the Company's TE Program, along with related interest. consistent with the treatment of interest rates described in Order No. 08-263 as modified by Order No. 10-279.

As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp proposes to continue maintaining a balancing account to record the costs related to its TE Program, the collection of cost recovery through Schedule 291, the collection of revenues from public charging stations established under the TE Program, the receipt of monetized credits from the Oregon Clean Fuels Program, and related interest. The use of a cost-of-service automatic adjustment clause and balancing account will ensure that PacifiCorp's TE Program cost recovery under Schedule 291 will not under- or over-collect amounts related to the TE Program.

As agreed to by stipulating parties and approved by the Commission in docket UM 1810, Order No. 18-075, as modified by Order No. 19-087, the budget is capped at $4.64 million during the three-year pilot period.

As outlined below, PacifiCorp has incurred the following costs through 2020 and anticipates the following costs will be incurred in 2021.

Oregon Transportation Electrification Pilots to date

	2018	2019	2020	2021*	Total
Public Charging Pilot – capital spend	$67,986.90	$730,638.74	$905,974.19	$330,000.00	$2,034,599.83
Public Charging Pilot – operation and maintenance (O&M)	$1,926.43	$132,579.98	$107,414.41	$60,400.00	$302,320.82
Outreach & Education Pilot – capital spend					$ -
Outreach & Education Pilot – O&M	$4,715.80	$390,768.90	$199,882.53	$419,632.77	$1,015,000.00
Demonstration & Development Pilot – capital spend					$ -
Demonstration & Development Pilot – O&M	$8,666.39	$215,471.05	$584,276.67	$876,585.89	$1,685,000.00
Other [a] – capital spend					$ -
Other [a] – O&M	$33,305.22	$18,840.63	$14,710.75	$10,200.00	$77,056.60
Total	$116,600.74	$1,488,299.30	$1,812,258.55	$1,696,818.66	$5,113,977.25

[a] Other includes costs for the attribution model/cost effectiveness framework and a pilot study of system impacts
* 2021 is forecasted all other years are actual

B. Reasons for Deferral

ORS 757.259(2)(e) allows the deferral of identifiable utility expenses in order to minimize the frequency of rate changes or fluctuation of rate levels or to match appropriately the costs borne and received by customers. In this application PacifiCorp seeks the use of a balancing account to match the costs borne and benefits received by customers.

C. Proposed Accounting

If this application is approved, PacifiCorp will record deferred TE Program expense amounts by crediting FERC account 906, Customer Service and Informational Expenses, and debiting the TE Program balancing account, in FERC Account 182.3, Other Regulatory Assets. The deferral balance will be reduced monthly by the amount collected under Schedule 291 recovering TE Program costs. In addition, revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be credited to the proposed TE Program balancing account. A carrying charge calculated at the Company's current authorized rate of return will be recorded each month on the deferral balance. If this application is denied, the cost of the TE Program will remain in FERC account 906 and the revenues from public charging stations and monetized credits from the Oregon Clean Fuels Program related to the TE Program will be recorded in FERC account 456, Other Electric Revenues.

D. Estimate of Amounts

Please refer to the description of costs in Section A above.

PacifiCorp will file an advice letter for approval to recover the costs associated with the TE Program through Schedule 291, System Benefits Charge. The tariff advice filing will note that the rate schedule will operate as a cost-of-service automatic adjustment clause, to allow for adjustments to rates based on actual over- or under- collected amounts. The proposed rates will be designed to collect initial TE Program costs over a 12-month period. As mentioned above, deferred costs associated with the TE Program will be recorded in the proposed balancing account and will be offset monthly by the amount collected for the TE Program through Schedule 291 along with interest calculated at the Modified Blended Treasury Rate. In addition, revenues collected from the TE Program public charging stations and monetized credits from the Oregon Clean Fuel Program will be credited to the proposed balancing account. Generally, it is expected that the balancing account will zero out over time.

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.

V. OAR 860-027-0300(4) REQUIREMENTS

A. Entries in the Deferred Account to Date

A description and explanation of the entries in this deferred account is provided in the Description of Utility Expense section.

B. Reason for Continuation of Deferred Accounting

As discussed in this application, continuation of this deferral is necessary to track the ongoing costs and revenues related to PacifiCorp's TE Program.

VI. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission reauthorize the company to establish and maintain a balancing account related to PacifiCorp's TE Program to record costs, amortization through Schedule 291, charging station revenues, Oregon Clean Fuel Program credits and interest.

Respectfully submitted this 23rd day of March, 2021.

By: ______________________________
Matthew McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

Attachment B

Docket UM 2134

Deferred Accounting for costs associated with Cedar Springs 2

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

December 10, 2020

VIA ELECTRONIC FILING

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

Attn: Filing Center

RE: UM____—Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120

PacifiCorp d/b/a Pacific Power submits for filing its application to defer costs associated with the renewable resource pursuant to ORS 469A.120.

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

Ajay Kumar
Senior Attorney
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
ajay.kumar@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, Suite 2000
Portland, OR 97232

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

Sincerely,

Etta Lockey
Vice President, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM ____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120	**APPLICATION FOR DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with ORS 469A.120(1) and (3), ORS 757.259(2)(e) and OAR 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) applies to the Public Utility Commission of Oregon (Commission) for an order authorizing the Company to defer the revenue requirement associated with the Cedar Springs II wind resource and associated transmission (Cedar Springs II), which was placed into service on December 8, 2020. PacifiCorp respectfully requests this deferral to allow the Company to match the costs and benefits of the Cedar Springs II resource for later inclusion in rates.

II. NOTICE

Communications regarding this application should be addressed to:

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

Ajay Kumar
Senior Attorney
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: ajay.kumar@pacificorp.com

In addition, PacifiCorp 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

A. Statutory and Regulatory Framework

On June 6, 2007, the Oregon Legislature enacted SB 838, codified as ORS 469A.005 *et seq.*, to establish a renewable portfolio standard (RPS) applicable to certain Oregon utilities. As part of this law, ORS 469A.120(1) authorizes utilities to recover prudently incurred costs associated with RPS Compliance. The Commission has authorized use of deferred accounting as a method for cost recovery of prudently incurred costs relating to RPS Compliance.[1]

In docket UM 1330, the Commission approved the renewable adjustment clause (RAC) stipulation[2] that outlined the terms and conditions governing the RAC, the automatic adjustment clause established by the Commission as required by SB 838.[3] The parties to the RAC stipulation agreed to support the use of deferred accounting to allow for an opportunity for recovery of the prudently incurred costs, net of dispatch benefits as appropriate, of an eligible resource for the period between when the resource is placed in service and when the

[1] *See In the Matter of PacifiCorp Application for an Accounting Order Approving Deferral of Costs Relating to Renewable Resources Pursuant to Senate Bill 838,* Docket UM 1338(1), Order No. 08-508 (Oct. 22, 2008); *In the Matter of PacifiCorp Application for Deferral of Costs Relating to Renewable Resources Pursuant to Senate Bill 838,* Docket UM 1338, Order No. 07-457 (Oct. 25, 2007); *In the Matter of PacifiCorp dba Pacific Power, Application for Deferred Accounting*, Docket UM 1454, Order No. 10-032 (Feb. 3, 2010).
[2] *In the Matter of Investigation of Automatic Adjustment Clause Pursuant to SB 838,* Docket UM 1330, Order No. 07-572, Appendix A (Dec. 19, 2007) (hereinafter "RAC Stipulation").
[3] *Id.* at 6.

resource enters rates on January 1.[4] Additionally, the deferral of the revenue requirement for this facility is consistent with the Commission's authority under ORS 757.259(2)(e) which "empowers the Commission to authorize the deferral of capital project costs, including depreciation expense and financing costs."[5]

B. Cedar Springs II will be included in Transition Adjustment Mechanism Rates on December 11, 2020

Consistent with the requirements of the stipulation that was adopted in the 2020 TAM, the net power cost (NPC) and production tax credit (PTC) benefits that begin on December 8, 2020 will be included in customer rates on December 11, 2020.[6] The deferral of the revenue requirement associated with Cedar Springs II is consistent with the matching principle as outlined in the RAC stipulation which requires the costs and benefits of the renewable resource to matched in rates.[7]

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests approval authorizing the deferral for future ratemaking of the costs related to Cedar Springs II. The deferrals will allow the Company to match the customer costs and benefits and recover the prudently incurred costs of renewable resources for later inclusion in rates, as provided by ORS 469A.120.

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[4] *Id.*

[5] *In the Matter of Public Utility Commission of Oregon, Investigation of the Scope of the Commission's Authority to Defer Capital Costs*, Docket UM 1909, Order No. 20-147 (Apr. 30, 2020).

[6] *In the Matter of PacifiCorp dba Pacific Power*, *2020 Transition Adjustment Mechanism*, Docket UE 356, Order No. 19-351, Appendix A at 7-8 (Oct. 30, 2019) (hereinafter "2020 TAM Stipulation").

[7] RAC Stipulation at 5. ("The Parties agree that if the fixed costs of an eligible resource are not included in RAC charges, or otherwise included in rates, then the variable costs and cost offsets of the eligible resource likewise should not be included in the annual power cost update filings or power cost adjustment mechanisms.")

A. Description of Utility Expense

Cedar Springs II is a 199.8 MW resource consisting of 72 wind turbine generators. All 72 wind turbine generators were placed into service, producing power, and connected to transmission facilities on December 8, 2020. The requested deferral is for the costs of the Cedar Springs II resource and associated transmission.

B. Reasons for Deferral

As described above, Cedar Springs II is currently in commercial operation and is used and useful, but the costs associated with the resource are not currently reflected in rates, while the benefits (NPC and PTC) will be reflected in rates on December 11, 2020. PacifiCorp has proposed in its pending general rate case (UE 374) for the inclusion of Cedar Springs II in rates and no party has objected to the prudence of this investment.[8] The rate effective date of the pending general rate case is January 1, 2021, and if the Commission approves the inclusion of Cedar Springs II in rates, then there will be almost a month mismatch of customer benefits and costs. Deferred accounting will ensure that the costs and benefits are matched in a manner that is consistent with past deferrals for renewable resources[9] and the 2020 TAM stipulation.[10]

---

[8] *See In the Matter of PacifiCorp dba Pacific Power's Request for a General Rate Revision*, Docket UE 374, PacifiCorp's Opening Brief at 83 (Sept. 28, 2020).

[9] *See In the Matter of PacifiCorp Application for an Accounting Order Approving Deferral of Costs Relating to Renewable Resources Pursuant to Senate Bill 838,* Docket UM 1338(1), Order No. 08-508 (Oct. 22, 2008); *In the Matter of PacifiCorp Application for Deferral of Costs Relating to Renewable Resources Pursuant to Senate Bill 838,* Docket UM 1338, Order No. 07-457 (Oct. 25, 2007); *In the Matter of PacifiCorp dba Pacific Power, Application for Deferred Accounting*, Docket UM 1454, Order No. 10-032 (Feb. 3, 2010).

[10] 2020 TAM Stipulation at 7-8.

C. Proposed Accounting

Beginning on December 10, 2020 and ending on December 31, 2020, PacifiCorp proposes to account for the revenue requirement of Cedar Springs II by recording the deferral in Account 182.3 (Regulatory Assets).

D. Estimate of Amounts

PacifiCorp estimates that approximately $0.8 million plus interest may be deferred as the revenue requirement of Cedar Springs II between December 10, 2020 and ending on December 31, 2020.

E. Notice

A Notice of PacifiCorp's Application for Approval of Deferred Accounting for Costs relating to a renewable resource pursuant to ORS 469A.120 is included as Exhibit A, along with the list of persons served.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 469A.120 (1) and (3), the Commission authorize the Company to defer the costs described in this Application.

Respectfully submitted this 10th day of December, 2020.

By: ______________________________
Ajay Kumar
Senior Attorney
PacifiCorp d/b/a Pacific Power

EXHIBIT A

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM ____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120	**NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING**

On December 10, 2020, PacifiCorp d/b/a Pacific Power filed an application with the Public Utility Commission of Oregon (Commission) for an order authorizing the company to defer the revenue requirement associated with the Cedar Springs II wind resource and associated transmission. The granting of this application 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
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.

Respectfully submitted on December 10, 2020.

By: ______________________
Ajay Kumar
Senior Attorney

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of PacifiCorp's **Notice of Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

Service List
UE 374

BILL EHRLICH **(C) (HC)** TESLA 3500 DEER CREEK RD PALO ALTO CA 94304 wehrlich@tesla.com	STEVE ELZINGA **(C)** CHARGEPOINT INC 693 CHEMEKETA ST NE SALEM OR 97301 steve@shermlaw.com
FRANCESCA WAHL **(C) (HC)** TESLA 6800 DUMBARTON CIRCLE FREMONT CA 94555 fwahl@tesla.com	LLOYD REED **(C) (HC)** REED CONSULTING 10025 HEATHERWOOD LANE HIGHLANDS RANCH CO 80126 lloyd.reed@lloydreedconsulting.com
CRYTAL RIVERA **(C) (HC)** SOMACH SIMMONS & DUNN 500 CAPITOL MALL STE 1000 SACRAMENTO CA 95814 crivera@somachlaw.com	
AWEC	
TYLER C PEPPLE **(C) (HC)** DAVISON VAN CLEVE, PC 1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 tcp@dvclaw.com	BRENT COLEMAN **(C) (HC)** DAVISON VAN CLEVE, PC 1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 blc@dvclaw.com
CALPINE SOLUTIONS	
GREGORY M. ADAMS **(C)** RICHARDSON ADAMS, PLLC PO BOX 7218 BOISE ID 83702 greg@richardsonadams.com	GREG BASS CALPINE ENERGY SOLUTIONS, LLC 401 WEST A ST, STE 500 SAN DIEGO CA 92101 greg.bass@calpinesolutions.com
KEVIN HIGGINS **(C)** ENERGY STRATEGIES LLC 215 STATE ST - STE 200 SALT LAKE CITY UT 84111-2322 khiggins@energystrat.com	

CHARGEPOINT	
ALEXANDRA LEUMER **(C)** CHARGEPOINT alexandra.leumer@chargepoint.com	SCOTT DUNBAR **(C)** KEYES FOX & WIEDMAN LLP 1580 LINCOLN ST, STE 880 DENVER CO 80203 sdunbar@kfwlaw.com
OREGON CITIZENS UTILITY BOARD	
OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 dockets@oregoncub.org	MICHAEL GOETZ **(C) (HC)** OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY STE 400 PORTLAND, OR 97205 mike@oregoncub.org
ROBERT JENKS **(C) (HC)** OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 bob@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 jkylercohn@bkllawfirm.com	
KWUA	
PAUL S SIMMONS **(C) (HC)** SOMACH SIMMONS & DUNN, PC 500 CAPITOL MALL, STE 1000 SACRAMENTO CA 95814 psimmons@somachlaw.com	
PACIFICORP	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 oregondockets@pacificorp.com	MATTHEW MCVEE **(C)** PACIFICORP 825 NE MULTNOMAH ST STE 2000 PORTLAND, OR 97232 matthew.mcvee@pacificorp.com

ETTA LOCKEY **(C)** PACIFIC POWER 825 NE MULTNOMAH ST., STE 2000 PORTLAND OR 97232 etta.lockey@pacificorp.com	
SBUA	
WILLIAM STEELE **(C)** BILL STEELE AND ASSOCIATES, LLC PO BOX 631151 HIGHLANDS RANCH CO 80164 wa.steele@hotmail.com	DIANE HENKELS **(C)** SMALL BUSINESS UTILITY ADVOCATES 621 SW MORRISON ST. STE 1025 PORTLAND OR 97205 diane@utilityadvocates.org
SIERRA CLUB	
ANA BOYD **(C) (HC)** SIERRA CLUB 2101 WEBSTER ST STE 1300 OAKLAND CA 94612 ana.boyd@sierraclub.org	GLORIA D SMITH **(C) (HC)** SIERRA CLUB LAW PROGRAM 2101 WEBSTER ST STE 1300 OAKLAND CA 94612 gloria.smith@sierraclub.org
CHRISTOPHER M BZDOK **(C) (HC)** OLSON BZDOK & HOWARD 420 EAST FRONT ST TRAVERSE CITY MI 49686 chris@envlaw.com	
STAFF	
MARIANNE GARDNER **(C)** PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM, OR 97308-1088 marianne.gardner@state.or.us	SOMMER MOSER **(C)** PUC STAFF - DEPARTMENT OF JUSTICE 1162 COURT ST NE SALEM, OR 97301 sommer.moser@doj.state.or.us
TESLA INC	
KEVIN AUERBACHER **(C) (HC)** TESLA, INC. 601 13TH ST NW, 9TH FL NORTH WASHINGTON DC 20005 kauerbacher@tesla.com	JOHN DUNBAR **(C) (HC)** DUNBAR LAW LLC 621 SW MORRISION STREET STE 1025 PORTLAND OR 97205 jdunbar@dunbarlawllc.com
VITESSE LLC	
R BRYCE DALLEY **(C)** FACEBOOK INC 2400 S BERTSINGER RD RIDGEFIELD WA 98642 rbd@fb.com	LIZ FERRELL **(C)** FACEBOOK, INC. 1 HACKER WAY MENLO PARK CA 94205 eferrell@fb.com

IRION A SANGER **(C)** SANGER LAW PC 1041 SE 58TH PLACE PORTLAND OR 97215 irion@sanger-law.com	
WALMART	
VICKI M BALDWIN **(C)** PARSONS BEHLE & LATIMER 201 S MAIN ST STE 1800 SALT LAKE CITY UT 84111 vbaldwin@parsonsbehle.com	STEVE W CHRISS **(C)** WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE AR 72716-0550 stephen.chriss@wal-mart.com

Dated this 10th day of December, 2020.

Katie Savarin

Katie Savarin
Coordinator, Regulatory Operations

Attachment C

Docket UM 2142

REDACTED

Deferred Accounting for costs associated with Cholla Unit 4 property taxes

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

December 24, 2020

VIA ELECTRONIC FILING

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

Attn: Filing Center

RE: UM ____— Application for Approval of Deferred Accounting for Cholla Unit 4-Related Property Tax Expense

PacifiCorp d/b/a Pacific Power submits for filing its application for deferred accounting for Cholla Unit 4-related Property Tax Expense. The annual property tax liability is deemed confidential subject to OAR 860-001-0070 and is marked confidential in the attached application.

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

Oregon Dockets	Ajay Kumar
PacifiCorp	Senior Attorney
825 NE Multnomah Street, Suite 2000	825 NE Multnomah Street, Suite 2000
Portland, OR 97232	Portland, OR 97232
oregondockets@pacificorp.com	ajay.kumar@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, Suite 2000
Portland, OR 97232

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

Sincerely,

Etta Lockey
Vice President, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM _____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Cholla Unit 4-Related Property Tax Expense	**APPLICATION FOR DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with ORS 757.259(2)(e) and OAR 860-027-0300, PacifiCorp d/b/a Pacific Power submits this application to the Public Utility Commission of Oregon (Commission) for an order authorizing deferred accounting to permit tracking of the Cholla Unit 4-related property tax costs. PacifiCorp requests that this deferral be effective as of January 1, 2021.

II. NOTICE

Communications regarding this application should be addressed to:

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

Matthew McVee
Chief Regulatory Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: matthew.mcvee@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 AND SUMMARY OF REQUEST

PacifiCorp is retiring its Cholla Unit 4 generation facility by December 31, 2020. During PacifiCorp's general rate case in docket UE 374, the Commission found that PacifiCorp's test-year property tax expense associated with Cholla Unit 4 was a non-recurring expense because of the expected decline after the plant stops operating and future years' tax expense would be lower. The record in the proceeding, however, did not quantify the lower level of expense after the plant ceases operation. Accordingly, the Commission declined to include a level of expense, known to be non-recurring, in rates, but stated that it will allow the company to defer the assessed property tax costs assigned to Cholla Unit 4 through the closure process. Further, the Commission found that the amounts deferred for property taxes are eligible for amortization and will be subject to interest at the modified blended Treasury rate (i.e., blended Treasury rate plus 100 basis points).[1]

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests authorization under ORS 757.259(2)(e) to establish and maintain a deferred account to record costs and revenues related to the payment and collection of Cholla Unit 4-related property tax. As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp seeks to defer its full Cholla Unit 4-related property tax expense beginning on January 1, 2021, for later inclusion in rates.

[1] *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Revision*, Order 20-473 at 98-99 (Dec. 18, 2020)(Order No. 20-473).

B. Reasons for Deferral

In accordance with ORS 757.259(2)(e), PacifiCorp seeks to match the costs borne and benefits received by customers through a deferred account. PacifiCorp's application is consistent with the Commission's Order No. 20.473.

C. Proposed Accounting

If this application is approved, PacifiCorp proposes to record deferred amounts to FERC account 182.3, Other Regulatory Assets. This account will accrue interest at the modified blended Treasury rate (i.e., blended Treasury rate plus 100 basis points).[2]

D. Estimate of Amounts

PacifiCorp estimates an annual tax liability to be approximately [redacted] total company, or [redacted] Oregon allocated. The annual property tax liability is deemed confidential subject to OAR 860-001-0070.

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.

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 1, 2021, to track the Cholla Unit 4-related property tax.

[2] Order No. 20-473 at 99.

Respectfully submitted this 24th day of December, 2020.

By: ______________________________
Matthew McVee
Chief Regulatory Counsel

Attorney for PacifiCorp d/b/a Pacific Power

Exhibit A

Notice of Application

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM _____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Cholla Unit 4-Related Property Tax Expense	**NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING**

On December 24, 2020, PacifiCorp d/b/a Pacific Power (PacifiCorp) filed an application with the Public Utility Commission of Oregon (Commission) for an order authorizing deferred accounting to permit tracking of the Cholla Unit 4-related property tax costs. The granting of this application 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
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.

Respectfully submitted on December 24, 2020.

By: ______________________
Matthew D. McVee
Chief Regulatory Counsel

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of PacifiCorp's **Notice of Application for Approval of Deferred Accounting for Cholla Unit 4-Related Property Tax Expense** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

Service List
UE 374

BILL EHRLICH **(C) (HC)** TESLA 3500 DEER CREEK RD PALO ALTO CA 94304 wehrlich@tesla.com	STEVE ELZINGA **(C)** CHARGEPOINT INC 693 CHEMEKETA ST NE SALEM OR 97301 steve@shermlaw.com
FRANCESCA WAHL **(C) (HC)** TESLA 6800 DUMBARTON CIRCLE FREMONT CA 94555 fwahl@tesla.com	LLOYD REED **(C) (HC)** REED CONSULTING 10025 HEATHERWOOD LANE HIGHLANDS RANCH CO 80126 lloyd.reed@lloydreedconsulting.com
CRYTAL RIVERA **(C) (HC)** SOMACH SIMMONS & DUNN 500 CAPITOL MALL STE 1000 SACRAMENTO CA 95814 crivera@somachlaw.com	
AWEC	
TYLER C PEPPLE **(C) (HC)** DAVISON VAN CLEVE, PC 1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 tcp@dvclaw.com	BRENT COLEMAN **(C) (HC)** DAVISON VAN CLEVE, PC 1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 blc@dvclaw.com
CALPINE SOLUTIONS	
GREGORY M. ADAMS **(C)** RICHARDSON ADAMS, PLLC PO BOX 7218 BOISE ID 83702 greg@richardsonadams.com	GREG BASS CALPINE ENERGY SOLUTIONS, LLC 401 WEST A ST, STE 500 SAN DIEGO CA 92101 greg.bass@calpinesolutions.com
KEVIN HIGGINS **(C)** ENERGY STRATEGIES LLC 215 STATE ST - STE 200 SALT LAKE CITY UT 84111-2322 khiggins@energystrat.com	

CHARGEPOINT	
ALEXANDRA LEUMER **(C)** CHARGEPOINT alexandra.leumer@chargepoint.com	SCOTT DUNBAR **(C)** KEYES FOX & WIEDMAN LLP 1580 LINCOLN ST, STE 880 DENVER CO 80203 sdunbar@kfwlaw.com
OREGON CITIZENS UTILITY BOARD	
OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 dockets@oregoncub.org	MICHAEL GOETZ **(C) (HC)** OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY STE 400 PORTLAND, OR 97205 mike@oregoncub.org
ROBERT JENKS **(C) (HC)** OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 bob@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 jkylercohn@bkllawfirm.com	
KWUA	
PAUL S SIMMONS **(C) (HC)** SOMACH SIMMONS & DUNN, PC 500 CAPITOL MALL, STE 1000 SACRAMENTO CA 95814 psimmons@somachlaw.com	
PACIFICORP	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 oregondockets@pacificorp.com	MATTHEW MCVEE **(C)** PACIFICORP 825 NE MULTNOMAH ST STE 2000 PORTLAND, OR 97232 matthew.mcvee@pacificorp.com

ETTA LOCKEY **(C)** PACIFIC POWER 825 NE MULTNOMAH ST., STE 2000 PORTLAND OR 97232 etta.lockey@pacificorp.com	
SBUA	
WILLIAM STEELE **(C)** BILL STEELE AND ASSOCIATES, LLC PO BOX 631151 HIGHLANDS RANCH CO 80164 wa.steele@hotmail.com	DIANE HENKELS **(C)** SMALL BUSINESS UTILITY ADVOCATES 621 SW MORRISON ST. STE 1025 PORTLAND OR 97205 diane@utilityadvocates.org
SIERRA CLUB	
ANA BOYD **(C) (HC)** SIERRA CLUB 2101 WEBSTER ST STE 1300 OAKLAND CA 94612 ana.boyd@sierraclub.org	GLORIA D SMITH **(C) (HC)** SIERRA CLUB LAW PROGRAM 2101 WEBSTER ST STE 1300 OAKLAND CA 94612 gloria.smith@sierraclub.org
CHRISTOPHER M BZDOK **(C) (HC)** OLSON BZDOK & HOWARD 420 EAST FRONT ST TRAVERSE CITY MI 49686 chris@envlaw.com	
STAFF	
MARIANNE GARDNER **(C)** PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM, OR 97308-1088 marianne.gardner@state.or.us	SOMMER MOSER **(C)** PUC STAFF - DEPARTMENT OF JUSTICE 1162 COURT ST NE SALEM, OR 97301 sommer.moser@doj.state.or.us
TESLA INC	
KEVIN AUERBACHER **(C) (HC)** TESLA, INC. 601 13TH ST NW, 9TH FL NORTH WASHINGTON DC 20005 kauerbacher@tesla.com	JOHN DUNBAR **(C) (HC)** DUNBAR LAW LLC 621 SW MORRISION STREET STE 1025 PORTLAND OR 97205 jdunbar@dunbarlawllc.com
VITESSE LLC	
R BRYCE DALLEY **(C)** FACEBOOK INC 2400 S BERTSINGER RD RIDGEFIELD WA 98642 rbd@fb.com	LIZ FERRELL **(C)** FACEBOOK, INC. 1 HACKER WAY MENLO PARK CA 94205 eferrell@fb.com

IRION A SANGER **(C)** SANGER LAW PC 1041 SE 58TH PLACE PORTLAND OR 97215 irion@sanger-law.com	
WALMART	
VICKI M BALDWIN **(C)** PARSONS BEHLE & LATIMER 201 S MAIN ST STE 1800 SALT LAKE CITY UT 84111 vbaldwin@parsonsbehle.com	STEVE W CHRISS **(C)** WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE AR 72716-0550 stephen.chriss@wal-mart.com

Dated this 24th day of December, 2020.

Katie Savarin

Katie Savarin
Coordinator, Regulatory Operations

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

May 13, 2021

VIA ELECTRONIC FILING

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

RE: UM 2167—PacifiCorp's Application for Approval of Deferred Accounting for Revenues Associated with RECs from Pryor Mountain.

PacifiCorp d/b/a Pacific Power submits for filing its Application for Approval of Deferred Accounting for the revenues associated with the renewable energy credits from the Pryor Mountain Wind Facility.

Confidential information in this application is provided in accordance with OAR 860-001-0070.

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

Ajay Kumar
Senior Attorney
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
ajay.kumar@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, Suite 2000
Portland, OR 97232

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

Sincerely,

Shelley McCoy

Shelley McCoy
Director, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 2167

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Revenues Associated with RECs from Pryor Mountain	**APPLICATION FOR DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with ORS 757.259(2)(e) and OAR 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) applies to the Public Utility Commission of Oregon (Commission) for an order authorizing the Company to defer the revenues associated with the renewable energy credits (RECs) from the Pryor Mountain Wind Facility. PacifiCorp seeks deferral of these revenues to track and preserve them for later ratemaking treatment and the benefit of customers.

II. NOTICE

Communications regarding this application should be addressed to:

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

Ajay Kumar
Senior Attorney
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: ajay.kumar@pacificorp.com

In addition, PacifiCorp 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

Pryor Mountain is a 240 megawatt wind facility located in Carbon County, Montana. In 2019, PacifiCorp purchased the development rights for the Pryor Mountain wind facility and contracted with Vitesse, LLC (Vitesse) to purchase all the RECs associated with the project under Oregon's schedule 272. In December of 2020, the Commission found that PacifiCorp's investment in the Pryor Mountain wind project to be prudent and in the public interest.[1] On April 1, 2021, the Pryor Mountain project was placed in service, and PacifiCorp filed on April 5, 2021 to recover the costs of the project and pass on the net power cost benefits to customers.[2] Under the schedule 272 agreement with Vitesse, PacifiCorp supplies and retires on behalf of Vitesse, all of the RECs generated by the resource for which PacifiCorp receives certain revenue. PacifiCorp will seek amortization of the Deferred Amount in a future commission proceeding.[3]

IV. DEFERRAL OF REVENUES

PacifiCorp respectfully requests approval authorizing the deferral for future ratemaking of the revenues related to this REC transfer under schedule 272. The deferrals

[1] *In the Matter of PacifiCorp, dba Pacific Power*, *Request for a General Rate Revision*, Docket No. UE 374, Order No. 20-473 at 50 (Dec. 18, 2020).
[2] *In the In the Matter of PacifiCorp, dba Pacific Power*, *Request for a General Rate Revision*, Docket No. UE 374, Advice No. 21-009, Compliance Filing (Apr. 5, 2021).
[3] In accordance with OAR 860-027-0300, PacifiCorp will file for reauthorization of the deferral, as necessary.

will allow the Company to pass these revenues back to customers during a later ratemaking proceeding.

A. Description of Utility Revenue

Under the individually negotiated agreement provisions in Schedule 272, PacifiCorp entered into an agreement to sell Vitesse all RECs generated from a specific renewable resource, in this case Pryor Mountain, and retire the RECs on their behalf. It is the revenue from these purchases that PacifiCorp is seeking to defer for the benefit of PacifiCorp's customers.

B. Reasons for Deferral

The sale of RECs from Pryor Mountain to Vitesse generates revenue that PacifiCorp seeks to defer so that it may be returned to customers in a future ratemaking proceeding. Consistent with PacifiCorp's testimony in the general rate case, this revenue is intended to provide a benefit for customers.[4] Allowing PacifiCorp to create a regulatory liability will allow PacifiCorp to track and eventually provide this revenue to customers as a benefit.

C. Proposed Accounting

Beginning on the date that the Pryor Mountain Wind Facility was placed in service, PacifiCorp proposes to account for the revenue by recording the deferral in Account 254 (Other Regulatory Liabilities).

D. Estimate of Amounts

PacifiCorp estimates that approximately [redacted] plus interest may be deferred as revenue between May 01, 2021 and ending on April 30, 2022. This estimate was developed

[4] *In the Matter of PacifiCorp, dba Pacific Power*, *Request for a General Rate Revision*, Docket No. UE 374, Exhibit PAC/2300, Link/72 (June 25, 2020).

by taking the total-company estimated revenue of [redacted] and applying the approved system generation allocation factor.

E. Notice

A Notice of PacifiCorp's Application for Approval of Deferred Accounting for Revenues relating to RECs is included as Exhibit A, along with the list of persons served.

V. CONCLUSION

PacifiCorp respectfully requests that the Commission authorize the Company to defer the revenues described in this Application.

Respectfully submitted this 13th day of May, 2021.

By: ______________________________

Ajay Kumar
Senior Attorney, OSB# 183903
PacifiCorp
825 NE Multnomah St, Suite 2000
Portland, OR 97232

Attorney for PacifiCorp

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 2167

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Revenues Associated with RECs from Pryor Mountain	**NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING**

On May 13, 2021, PacifiCorp d/b/a Pacific Power (PacifiCorp) filed an application with the Public Utility Commission of Oregon (Commission) for an order authorizing deferral of the revenues associated with the renewable energy credits from the Pryor Mountain Wind Facility. The granting of this application 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
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.

Respectfully submitted on May 13, 2021.

By: Ajay Kumar
Ajay Kumar
Senior Attorney

Attachment E

Docket UM 2185

Deferred Accounting for costs associated with Non-Contributory Defined Benefit Pensions Plans

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

July 27, 2021

VIA ELECTRONIC FILING

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

RE: UM____—Application for Deferred Accounting and Accounting Order for Approval of an Accounting Amortization Process

PacifiCorp d/b/a Pacific Power submits for filing its application to defer costs associated with the pension settlement losses expected to occur in 2021 in accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, and an accounting order for approval of an accounting amortization process, in accordance with ORS 757.120 and ORS 757.125.

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

Oregon Dockets	Matthew McVee
PacifiCorp	Chief Regulatory Counsel
825 NE Multnomah Street, Suite 2000	825 NE Multnomah Street, Suite 2000
Portland, OR 97232	Portland, OR 97232
oregondockets@pacificorp.com	matthew.mcvee@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, Suite 2000 Portland, OR 97232

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

Sincerely,

Shelley McCoy

Shelley McCoy
Director, Regulation

Enclosures

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM _____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting and Accounting Order Related to Non-Contributory Defined Benefit Pension Plans.	**APPLICATION FOR DEFERRED ACCOUNTING AND ACCOUNTING ORDER FOR APPROVAL OF AN ACCOUNTING AMORTIZATION PROCESS**

I. INTRODUCTION

PacifiCorp d/b/a Pacific Power submits this application to the Public Utility Commission of Oregon (Commission) for an order: (1) authorizing PacifiCorp to defer pension settlement losses expected to occur in 2021 in accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300;[1] and (2) authorizing PacifiCorp, in accordance with ORS 757.120 and ORS 757.125, to amortize the impact of the pension settlement loss to expense over the same period that is used to amortize the underlying net pension regulatory asset with the opportunity to recover the amount in rates as part of pension cost in the next general rate case. These requests allow the company to account for the impact of the pension settlement loss through deferral and amortization in a manner that closely approximates the amortization that would have continued if it were not for the accelerated recognition required by Generally Accepted Accounting Principles (GAAP) due to occurrence of a pension settlement event.

[1] In accordance with OAR 860-027-0300, PacifiCorp will file for reauthorization of the deferral, as necessary.

As allowed under GAAP for its non-contributory defined benefit pension plans, PacifiCorp records certain pension-related costs and credits (e.g., actuarial gains and losses) as a net regulatory asset (or liability if in a net gain position) and amortizes the balance over the actuarial remaining life expectancy of pension plan participants. This allows for smooth recognition of the costs over time.

However, if certain pension events such as a settlement occur, Financial Accounting Standards Board's Accounting Standards Codification (ASC) 715-30-Compensation-Retirement Benefits-Defined Benefit Plans-Pension (ASC 715-30) requires PacifiCorp to recognize portions of these otherwise amortizable costs in earnings in that year rather than continuing to amortize them over time.

A pension settlement will be triggered in July 2021 based on lump sum distributions that will have occurred through July 30, 2021, requiring pension settlement accounting. While the resulting pension settlement loss will not be known until PacifiCorp's actuaries complete the remeasurement of the pension plan benefit obligation, plan assets and net unrecognized actuarial losses, PacifiCorp's actuaries estimate the loss to be approximately $8.7 million. Additional settlement losses will be incurred throughout the remainder of 2021 as retirees continue to elect lump sum distributions. These additional losses are estimated to be approximately $4.8 million.

Absent the Commission's approval to defer these losses for amortization and recovery in future periods, PacifiCorp will be required to expense the pension settlement losses in 2021 rather than amortize them over the expected average remaining lives of plan participants similar to the recognition that would have occurred absent the settlement being triggered. PacifiCorp recognizes that an element of this amortization that would occur absent the settlement being triggered is reflected in base rates.

PacifiCorp requests that the Commission approve the deferral of the pension settlement losses in 2021 and approve amortization of the deferral over the actuarial remaining life expectancy of plan participants (approximately 20 years) immediately following accounting for the settlement loss. The amortization would not currently adjust customer rates, but a request for continued recovery of the amortization up to the amount of the then unamortized deferred balance would be requested for recovery in PacifiCorp's next filed general rate case. This would avoid the possibility of double recovery of this amortization between when it begins and the rate effective date of the next general rate case, given that a similar level of the amortizing losses is already included in base rates.

II. NOTICE

Communications regarding this application should be addressed to:

PacifiCorp Oregon Dockets 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 oregondockets@pacificorp.com	Matthew D. McVee Chief Regulatory Counsel 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 matthew.mcvee@pacificorp.com

In addition, PacifiCorp 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, Manager, Regulatory Affairs at 503-813-5934.

III. BACKGROUND

A. PacifiCorp's Pension Plans

PacifiCorp's non-contributory defined benefit pension plans include the PacifiCorp Retirement Plan, the PacifiCorp Retirement Plan II and the PacifiCorp Supplemental Executive Retirement Plan (the SERP). Since the settlement accounting addressed in this application is not relevant to the SERP, all references hereinafter are with respect to the PacifiCorp Retirement Plan and the PacifiCorp Retirement Plan II. PacifiCorp reduced the risk profile of these pension plans by closing the plans to all non-union employees hired after January 1, 2008 and freezing the accrual of benefits for non-union employees and union employees. PacifiCorp now provides most union and non-union employees with enhanced 401(k) plan benefits instead. Select non-union plan participants, however, did not elect to receive enhanced 401(k) plan benefits. Those employees continued to earn pension benefits based on a cash balance formula through December 31, 2016. The basic benefit payable on or after termination is the balance of the participant's hypothetical cash balance as a lump sum or an actuarial equivalent life annuity. It is these lump sum distributions that can lead to settlement accounting being triggered.

B. Funded Status on the Balance Sheet

ASC 715-30 requires recognition of the funded status of a defined benefit pension plan on the balance sheet measured annually at the measurement date (typically December 31). The funded status is the difference between the fair value of the plan assets and the projected benefit obligation. If the funded status is positive (*i.e.*, the fair value of the plan assets is greater than the obligation), the company reports a non-current asset on its balance sheet. Conversely, if the funded status is negative (*i.e.*, the fair value of plan assets is less than the obligation), the company reports a liability on its balance sheet; the liability can be a non-current and/or a current liability. As of PacifiCorp's most recently filed Form 10-K for the year ended December 31, 2020, PacifiCorp's pension plans had a funded status of negative $80 million—meaning the plans' obligations were greater than the fair value of the plans' assets.[2] Table 1 below provides greater detail on the funded status of the plans for 2020 and 2019.

Table 1: Funded Status of PacifiCorp's Pension Plans[3]

Pension Plans (in millions)	2020	2019
Plan assets at fair value, end of year	$1,064	$1,036
Less: projected benefit obligation, end of year	$1,144	$1,112
Funded status	**($80)**	**($76)**

C. Net Periodic Benefit Costs

Ongoing pension cost under ASC 715-30 is referred to as net periodic benefit cost and includes the following components:

- **Service Cost**: The actuarial present value of benefits attributed by a plan's benefit formula to services rendered by employees during the period. In other words, the service cost is the value of the employee benefits attributed to current year service.
- **Interest Cost**: Periodic interest on the benefit obligation that represents the increase in the obligation due to the passage of time.
- **Expected Return on Plan Assets**: The expected return on the plan's assets for the year, which is calculated using an expected long-term rate of return on plan assets.

[2] Excludes amounts pertaining to the SERP that are combined with the other pension plans for purposes of disclosure in the Form 10-K.
[3] *Id.*

- **Amortization of Unrecognized Prior Service Cost**: The amortization of any balances previously recorded in accumulated other comprehensive income (AOCI) or regulatory asset/liability as a result of plan amendments.
- **Amortization of Actuarial Gains/Losses**: The amortization of past actuarial gains and losses recorded in AOCI or regulatory asset/liability as a result of changes in actuarial assumptions such as the discount rate and the difference between actual and expected experience, such as the return on plan assets.

In Oregon, the company recovers its net periodic benefit cost in rates.[4]

D. Unrecognized Net Periodic Benefit Costs (Past Actuarial Gains and Losses)

Unrecognized net periodic benefit costs include an accumulation of past actuarial gains and losses that result from changes in actuarial assumptions such as the discount rate and the difference between expected and actual experience, the difference between expected and actual returns on plan assets, and differences related to demographic experience. Under ASC 715-30, the portion of the funded status not yet recognized in net periodic benefit cost must be included in AOCI. PacifiCorp, as a regulated entity, applies the provisions of ASC 980-Regulated Operations and therefore records as a regulatory asset or liability amounts otherwise charged/credited to AOCI if it is probable that the amounts will be recovered in future rates.

As of December 31, 2020, the funded status of PacifiCorp's pension plans included unrecognized net periodic benefit costs of $431 million, which was reflected as a regulatory asset.[5] Table 2 below demonstrates how the unrecognized net periodic benefit cost changed during calendar year 2020.

---

[4] See *In the Matter of the Pub. Util. Comm'n of Or., Investigation into Treatment of Pension Costs in Utility Rates*, Docket No. UM 1633, Order No. 15-226 at 4 (Aug. 3, 2015).

[5] Excludes amounts pertaining to the SERP that are combined with the other pension plans for purposes of disclosure in the Form 10-K. Includes nearly $2 million associated with regulatory deferrals in other jurisdictions related to the 2018 pension settlement loss.

Table 2: Unrecognized Net Periodic Benefit Cost[6]

Pensions (in millions)	Regulatory Asset
Balance, December 31, 2019	$422
Net (gain) loss arising during the year	$26
Net Amortization	($17)
Total	$9
Balance, December 31, 2020	**$431**

Under ASC 715-30, PacifiCorp currently amortizes the unrecognized net losses over approximately 20 years for the pension plans, which represents the actuarial assumption of the remaining life expectancy of plan participants (remeasured annually by the company's actuaries). This allows for smooth recognition of the unrecognized costs rather than immediately recognizing the actuarial gains or losses as they arise.

E. Pension Events that Impact Amortization of Unrecognized Costs

Under ASC 715, pension settlement and curtailment events change the timing for recognizing previously unrecognized net periodic benefit costs in earnings, requiring immediate recognition rather than recognition over time. As this application pertains only to a pension settlement event, curtailments will not be addressed.

Settlements are irrevocable actions that relieve the employer of primary responsibility for a pension benefit obligation and eliminate significant risks related to the obligation and the assets used to affect the settlement. When PacifiCorp provides a plan participant with a lump sum cash distribution (consistent with plan provisions), the payout qualifies as a settlement. If the aggregate of all lump sum cash distributions in a calendar year exceed a

[6] *Id.*

defined threshold (service cost plus interest cost), ASC 715 requires immediate recognition in earnings of a pro rata portion of the unrecognized actuarial gains or losses recorded in AOCI or as a regulatory asset. The amount that is reclassified from AOCI or the regulatory asset when this occurs is not a new cost; it is merely an acceleration of the recognition of the cost in earnings. In other words, a portion of the net regulatory asset (or AOCI) is triggered for immediate recognition rather than continuing to be amortized to expense over time (the actuarial life expectancy of plan participants). If settlement accounting is triggered prior to the last month of the fiscal year, every lump sum distribution after the initial triggering event will result in additional settlement loss accounting and need to be recorded no later than at the time of the annual year end remeasurement.

Through July 2021, lump sum distributions in the PacifiCorp Retirement Plan are expected to total over $29 million and will exceed the total service and interest cost in the plan of $27.2 million. As a result of the distributions exceeding this threshold, settlement accounting will be triggered in July 2021, requiring remeasurement and accelerated recognition of a portion of net unrecognized losses. PacifiCorp's actuaries will perform the remeasurement and compute the settlement loss in accordance with ASC 715-30 by applying the percentage reduction of pension liabilities settled to the net unrecognized losses. The settlement loss triggered in July 2021 is estimated to be approximately $8.7 million. Once the settlement accounting threshold is reached, every additional lump sum distribution occurring for the remainder of the fiscal/calendar year will trigger additional pension settlement losses. Based on projected lump sum distributions throughout the remainder of 2021, PacifiCorp's actuaries estimated the additional pension settlement losses to be $4.8 million. If approved, PacifiCorp will notify Commission Staff of the final amount of the settlement losses for 2021 once known.

When similar events have occurred in the past, PacifiCorp requested approval from the Commission to defer the resulting impacts to a regulatory asset or liability for future recovery from or return to customers in accordance with ASC 980-Regulated Operations.[7] In PacifiCorp's last general rate case, PacifiCorp included its projected pension settlement losses in the test year.[8] The Commission noted that pension settlement losses are different than when previously considered, but declined PacifiCorp's proposal.[9] The Commission, however, stated that it would consider a subsequent request by the Company to defer a pension settlement loss occurring during the test year and recognized that without such a deferral such a loss would have to be expensed.[10]

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests authorization under ORS 757.259(2)(e) to defer the July 2021 pension settlement loss and any additional pension settlement losses occurring during 2021 as a result of the settlement accounting threshold being surpassed in July 2021. PacifiCorp seeks authorization of this deferral for a 12-month period beginning the date of this Application. As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp is requesting to defer 2021 pension settlement losses that would otherwise trigger immediate recognition of a pro rata portion of net actuarial losses currently reflected as

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[7] See, e.g., *In the Matter of PacifiCorp Application for an Accounting Order Regarding Pension Curtailment*, Docket No. UM 1400, Order No. 08-598 (Dec. 24, 2008); *In the Matter of PacifiCorp Application for Approval of Deer Creek Mine Transaction*, Docket No. UM 1712, Order No. 15-161 (May 27, 2015).

[8] *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Revision,* Order No. 20-473 at 92(Dec. 18, 2020).

[9] Id. at 94.

[10] Id. at 95.

a net regulatory asset. The company proposes to amortize this deferral over the same period that is used to amortize the underlying net regulatory asset with the opportunity to continue to recover the annual amortization amount in rates as part of pension cost in the next general rate case. PacifiCorp proposes to begin amortizing the balance the month subsequent to the remeasurement of the pension plans' funded status as a result of the settlement. For example, with the threshold exceeded in July 2021, PacifiCorp's actuaries will remeasure the funded status as of July 31, 2021 with the results recorded by PacifiCorp in August 2021. In this example, PacifiCorp would begin to amortize the deferral August 1, 2021, the same month when new pension expense will be reflected subsequent to the July 31, 2021 remeasurement.

B. Reasons for Deferral

As discussed above, PacifiCorp requests deferral of the 2021 pension settlement losses that would otherwise be recognized immediately and that represents a pro rata portion of net actuarial losses that absent the settlement accounting would have continued to amortize over the average remaining lives of plan participants. With its proposal to continue to recognize the expense over time similar to what would have occurred absent the settlement accounting, PacifiCorp seeks to minimize the frequency of rate changes in accordance with ORS 757.259(2)(e).

PacifiCorp's request here is consistent with the Commission's order in the Company's most recent general rate case.[11] In that order, the Commission stated it would consider a request to establish a deferral for a pension settlement loss incurred during the 2021 test year. The order further explained that a proposal to address pension settlement

[11] Order No. 20-473 at 95-96.

losses should address the inconsistency issues implicated by the proposal by detailing how to account for the changes to the ongoing pension expense due to a pension settlement loss.

In the general rate case order, the Commission expressed concern that the company's proposal to recover the projected settlement losses in the 2021 test year would result in double recovery of a portion of the expense due to net periodic benefit cost in the test year being computed without regard to the projected settlement loss.[12] During the 2021 test year, the settlement loss was projected to occur at year-end as often there can be a heightened level of lump sum distributions in the fourth quarter due to minimum present value segment rates that determine the value of the participant's lump sum becoming available in October. Since net periodic benefit cost is determined at the beginning of the year, this resulted in it being computed without regard to the settlement loss.

The company's proposal in this application to defer the 2021 pension settlement losses with amortization beginning immediately following the resulting remeasurement while at the same time not adjusting customer rates alleviates the risk of double-recovery of the amortization included in net periodic benefit cost. This approach would result in the company continuing to recognize a portion of the net unrecognized losses to expense until such time that base rates are reset and at which point the remaining unamortized regulatory asset resulting from the 2021 pension settlement losses will be lower, resulting in the company seeking recovery through its next general rate case filing only the unamortized balance of the deferred pension settlement losses at that time. While the amortization during such period may not exactly equal that which is reflected currently in base rates due to the complexity of pension accounting under ASC 715-30, it would be a reasonable approximation. In addition,

[12] *Id.*

subsequent general rate cases would not double recover amounts associated with the amortization included in net periodic benefit costs as a new remeasurement would update all assumptions with the deferral of the settlement loss only being part of the calculation once.

As a way to demonstrate the requested treatment does not result in double recovery a simplified example might be useful. Assume the company has $20 million of unrecognized losses it is amortizing through rates over 20 years, with $1 million included in pension expense as part of the last general rate case. During the first year of recovery settlement is triggered requiring immediate recognition of the entire $20 million balance. Absent regulatory approval to defer the impacts of the settlement, the company would record the entire $20 million to expense in year one. If the company did not come into a rate case for 20 years then it would recover the entire $20 million from customers at $1 million per year through established base rates. If the company comes in for a rate case five years after the settlement loss the company would lose out on $15 million of the accelerated cost. This is because, absent any new unrecognized gains or losses being incurred during that five years in between rate cases, pension costs in that case would no longer include the $1 million of annual amortization expense because the entire amount was recognized on the income statement in year one. Approval of the deferral re-establishes the $20 million as a regulatory asset and continues its 20-year amortization to expense. During the next rate case the unamortized balance of the deferral, $15 million in this example, would be included as part of pension expense and continue at its rate of $1 million per year unless a different amortization period of the remaining balance was approved.

Granting this request would align with previous approval of comparable accounting treatment for similar pension events. In Order No. 08-598, the Commission approved

PacifiCorp's application for an accounting order authorizing the company to record a net reduction to the regulatory asset associated with its existing pension and other post-retirement welfare assets as a result of a pension curtailment gain and a measurement date change transitional adjustment.[13] In that case, employee participation in PacifiCorp's defined benefit pension plans declined substantially when certain union employees and approximately 41 percent of non-union employees migrated to enhanced benefits in the company's 401(k) retirement plan. The shift from pensions to enhanced benefits in the company's 401(k) plan required the company to record a substantial curtailment gain of $41 million.[14] Curtailments are one of the triggering pension events that, under generally accepted accounting principles, will truncate amortization of certain net periodic benefit costs. Thus, the company requested an accounting order providing approval to record the net impact of the curtailment gain as a reduction to the existing pension regulatory asset. Staff's public meeting memorandum recommended approval of PacifiCorp's application, concluding that: "Staff believes approval of [PacifiCorp's] request to be in the best interest of ratepayers."[15] The Commission adopted Staff's recommendation, which had the effect of smoothing pension costs and credits by allowing amortization to be returned to customers in rates over a period of years rather than PacifiCorp recognizing the net gains from the triggering pension event as earnings in a single year. The relief PacifiCorp requests here is consistent with Order No. 08-598 as the requested deferral and accounting treatment will allow PacifiCorp to continue to smooth the costs associated with its remaining defined

[13] Docket UM 1400, Order No. 08-598 (Dec. 24, 2008).
[14] *Id.*, Appendix A, at 2. The application in docket UM 1400 also addressed an offsetting pension event related to a measurement date change. The overall impact of requested accounting changes was a net pretax benefit to customers of $27 million total-company ($41 million for the curtailment gain less $14 million due to the measurement date change adjustment). PacifiCorp requested a 10-year amortization of the $27 million.
[15] Id.

benefit pension plans over the average remaining lives of the plan participants. PacifiCorp will accomplish this by amortizing the pension settlement loss over a period of years in a manner that "closely approximate[s] the . . . amortizations that would have continued if it were not for the accelerated recognition due to the [pension event]."[16] Such an outcome will avoid subjecting pension costs to substantial interannual variability.

C. Proposed Accounting

If this application is approved, PacifiCorp proposes to record deferred amounts in Account 182.3, Other Regulatory Assets. In the absence of approval of this Application, the immediate recognition of a pro rata portion of actuarial losses and gains would be recorded in Account 926, Employee Pensions and Benefits.

D. Estimate of Amounts

PacifiCorp estimates the pension settlement in 2021 will trigger immediate recognition of approximately $8.7 million of net actuarial losses as a result of the July 2021 trigger and an additional $4.8 million across the remainder of 2021, which the company seeks permission to defer in this application.

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.

V. REQUEST FOR ACCOUNTING ORDER

For the reasons set forth above, in accordance with ORS 757.120 and ORS 757.125, PacifiCorp respectfully requests authorization to record the impact of the 2021 pension settlement losses as an offset to the existing pension net regulatory asset and to amortize the

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[16] *Id.*

amount to expense over the same period that is used to amortize the underlying net regulatory assets with the opportunity to recover the annual amortization amount in rates as part of pension cost in a future rate proceeding. Together with the request for deferral described above, this accounting order will allow the company to account for the impact of pension events in a manner that closely approximates the amortization that would have continued if it were not for the accelerated recognition required by generally accepted accounting principles due to occurrence of a settlement event. Rate treatment of the costs associated with the accounting order will be determined in a future rate proceeding.

VI. CONCLUSION

For the reasons discussed above, PacifiCorp respectfully requests that the Commission issue an order authorizing: (1) deferral of the expected impacts associated with the occurrence of the 2021 pension settlement losses in accordance with ORS 757.259(2)(e) and OAR 860-027-0300; and (2) amortization of the deferred amount to expense over the same period that is used to amortize the underlying net regulatory assets with the opportunity to recover the annual amortization in pension cost as part of the next general rate case in accordance with ORS 757.120 and ORS 757.125.

Respectfully submitted this 27th day of July, 2021.

By: ______________________________
Matthew McVee
Chief Regulatory Counsel

Exhibit A

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM ____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting and Accounting Order Related to Non-Contributory Defined Benefit Pension Plans.	**APPLICATION FOR DEFERRED ACCOUNTING AND ACCOUNTING ORDER FOR APPROVAL OF AN ACCOUNTING AMORTIZATION PROCESS**

On July 27, 2021, PacifiCorp d/b/a Pacific Power filed an application with the Public Utility Commission of Oregon (Commission) for an order (1) authorizing PacifiCorp to defer pension settlement losses expected to occur in 2021 in accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300;[1] and (2) authorizing PacifiCorp, in accordance with ORS 757.120 and ORS 757.125, to amortize the impact of the pension settlement loss to expense over the same period that is used to amortize the underlying net pension regulatory asset with the opportunity to recover the amount in rates as part of pension cost in the next general rate case. The granting of this application 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:

[1] In accordance with OAR 860-027-0300, PacifiCorp will file for reauthorization of the deferral, as necessary.

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

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.

Respectfully submitted on July 27, 2021.

By: ______________________
Matthew McVee
Chief Regulatory Counsel

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of PacifiCorp's **APPLICATION FOR DEFERRED ACCOUNTING AND ACCOUNTING ORDER FOR APPROVAL OF AN ACCOUNTING AMORTIZATION PROCESS** on the parties listed below via electronic mail and/or or overnight delivery in compliance with OAR 860-001-0180.

Service List
UE 374

BILL EHRLICH **(C) (HC)** TESLA 3500 DEER CREEK RD PALO ALTO CA 94304 wehrlich@tesla.com	STEVE ELZINGA **(C)** CHARGEPOINT INC 693 CHEMEKETA ST NE SALEM OR 97301 steve@shermlaw.com
FRANCESCA WAHL **(C) (HC)** TESLA 6800 DUMBARTON CIRCLE FREMONT CA 94555 fwahl@tesla.com	LLOYD REED **(C) (HC)** REED CONSULTING 10025 HEATHERWOOD LANE HIGHLANDS RANCH CO 80126 lloyd.reed@lloydreedconsulting.com
CRYTAL RIVERA **(C) (HC)** SOMACH SIMMONS & DUNN 500 CAPITOL MALL STE 1000 SACRAMENTO CA 95814 crivera@somachlaw.com	
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CHRISTOPHER M BZDOK **(C) (HC)** OLSON BZDOK & HOWARD 420 EAST FRONT ST TRAVERSE CITY MI 49686 chris@envlaw.com	
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KEVIN AUERBACHER **(C) (HC)** TESLA, INC. 601 13TH ST NW, 9TH FL NORTH WASHINGTON DC 20005 kauerbacher@tesla.com	JOHN DUNBAR **(C) (HC)** DUNBAR LAW LLC 621 SW MORRISION STREET STE 1025 PORTLAND OR 97205 jdunbar@dunbarlawllc.com
VITESSE LLC	
R BRYCE DALLEY **(C)** FACEBOOK INC 2400 S BERTSINGER RD RIDGEFIELD WA 98642 rbd@fb.com	LIZ FERRELL **(C)** FACEBOOK, INC. 1 HACKER WAY MENLO PARK CA 94205 eferrell@fb.com

IRION A SANGER **(C)** SANGER LAW PC 1041 SE 58TH PLACE PORTLAND OR 97215 irion@sanger-law.com	
WALMART	
VICKI M BALDWIN **(C)** PARSONS BEHLE & LATIMER 201 S MAIN ST STE 1800 SALT LAKE CITY UT 84111 vbaldwin@parsonsbehle.com	STEVE W CHRISS **(C)** WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE AR 72716-0550 stephen.chriss@wal-mart.com

Dated this 27th day of July, 2021.

Mary Penfield
Adviser, Regulatory Operations

Attachment F

Docket UM 2186

Deferred Accounting for the costs associated for the TB Flats Wind Project

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

July 27, 2021

VIA ELECTRONIC FILING

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

RE: UM____—Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120

PacifiCorp d/b/a Pacific Power submits for filing its application to defer costs associated with the renewable resource pursuant to ORS 469A.120.

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

Ajay Kumar
Senior Attorney
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
ajay.kumar@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, Suite 2000
Portland, OR 97232

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

Sincerely,

Shelley McCoy

Shelley McCoy
Director, Regulation

Enclosures

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM ____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120	**APPLICATION FOR DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with ORS 469A.120(1) and (3), ORS 757.259(2)(e) and OAR 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) applies to the Public Utility Commission of Oregon (Commission) for an order authorizing the Company to defer the revenue requirement associated with the remaining portion (384.9 megawatts (MW)) of the TB Flats wind facility.[1] This portion of TB Flats was fully placed into service on July 26, 2021. PacifiCorp respectfully requests this deferral to allow the Company to match the costs and benefits of the TB Flats resource for later inclusion in rates.

II. NOTICE

Communications regarding this application should be addressed to:

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

Ajay Kumar
Senior Attorney
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: ajay.kumar@pacificorp.com

In addition, PacifiCorp requests that all data requests regarding this application be sent to the following:

[1] 118.3 MW of the TB Flats wind resource was placed in service by December 21, 2020, and included in PacifiCorp's compliance filing in docket UE 374.

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

A. Statutory and Regulatory Framework

On June 6, 2007, the Oregon Legislature enacted SB 838, codified as ORS 469A.005 *et seq.*, to establish a renewable portfolio standard (RPS) applicable to certain Oregon utilities. As part of this law, ORS 469A.120(1) authorizes utilities to recover prudently incurred costs associated with RPS Compliance. The Commission has authorized use of deferred accounting as a method for cost recovery of prudently incurred costs relating to RPS Compliance.[2]

In docket UM 1330, the Commission approved the renewable adjustment clause (RAC) stipulation (RAC Stipulation)[3] that outlined the terms and conditions governing the RAC, the automatic adjustment clause established by the Commission as required by Senate Bill (SB) 838.[4] The parties to the RAC Stipulation agreed to support the use of deferred accounting to allow for an opportunity for recovery of the prudently incurred costs, net of

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[2] *See In the Matter of PacifiCorp Application for an Accounting Order Approving Deferral of Costs Relating to Renewable Resources Pursuant to Senate Bill 838,* Docket UM 1338(1), Order No. 08-508 (Oct. 22, 2008); *In the Matter of PacifiCorp Application for Deferral of Costs Relating to Renewable Resources Pursuant to Senate Bill 838,* Docket UM 1338, Order No. 07-457 (Oct. 25, 2007); *In the Matter of PacifiCorp dba Pacific Power, Application for Deferred Accounting*, Docket UM 1454, Order No. 10-032 (Feb. 3, 2010).
[3] *In the Matter of Investigation of Automatic Adjustment Clause Pursuant to SB 838,* Docket UM 1330, Order No. 07-572, Appendix A (Dec. 19, 2007) (hereinafter "RAC Stipulation").
[4] *Id.* at 6.

dispatch benefits as appropriate, of an eligible resource for the period between when the resource is placed in service and when the resource enters rates on January 1.[5] Additionally, the deferral of the revenue requirement for this facility is consistent with the Commission's authority under ORS 757.259(2)(e) which "empowers the Commission to authorize the deferral of capital project costs, including depreciation expense and financing costs."[6]

In PacifiCorp's most recent general rate case (docket UE 374), the Commission examined the TB Flats project as part of PacifiCorp's Energy Vision 2020 projects and determined it was "prudent and in the public interest."[7] On December 28, 2020, PacifiCorp made a compliance filing in this proceeding to reflect that 118.3 MW (35 wind turbine generators) of the TB Flats wind project had been placed online and in-service.[8] However, the remaining 384.9 MW (97 wind turbine generators) of the TB Flats wind project had not yet come online, but was anticipated to be in-service by June 30, 2021. In addition to the general rate case order, the parties to the 2021 Transition Adjustment Mechanism had agreed that the full value of the production tax credit (PTC) and net power cost (NPC) benefits from the online date of these projects will be provided to customers coincident with rate recovery for the new wind projects.[9]

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[5] *Id.*

[6] *In the Matter of Public Utility Commission of Oregon, Investigation of the Scope of the Commission's Authority to Defer Capital Costs*, Docket UM 1909, Order No. 20-147 (Apr. 30, 2020).

[7] *In the Matter of PacifiCorp dba Pacific Power, Request for a General Rate Revision,* Docket No. UE 374, Order No. 20-473 at 50 (Dec. 18, 2020).

[8] *In the Matter of PacifiCorp dba Pacific Power, Request for a General Rate Revision,* Docket No. UE 374, Advice No. 20-017 (Dec. 28, 2020).

[9] *In the Matter of PacifiCorp dba Pacific Power, 2021 Transition Adjustment Mechanism*, Docket UE 375, Order 20-392 at Appendix A, ¶18 (Oct. 30, 2020).

B. The final portion of TB Flats will be recovered through a Renewable Adjustment Clause filing

Consistent with the requirements of Order No. 20-493, PacifiCorp met with stakeholders on June 23, 2021 to discuss next steps because the remaining 384.9 MW of TB Flats would not be coming online by June 30, 2021. After those discussions, PacifiCorp determined it would be necessary to make a RAC filing to include the remaining portion of TB Flats in Oregon rates. The deferral of the revenue requirement and PTC and NPC benefits associated with TB Flats is consistent with the matching principle as outlined in the RAC Stipulation which requires the costs and benefits of the renewable resource to matched in rates.[10]

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests approval authorizing the deferral for future ratemaking of the costs and benefits related to TB Flats. The deferrals will allow the Company to match the customer costs and benefits and recover the prudently incurred costs of renewable resources for later inclusion in rates, as provided by ORS 469A.120.

A. Description of Utility Expense

TB Flats is a nominal 500 MW resource consisting of 132 wind turbine generators with a total nameplate capacity of 503.2 MW. By December 21, 2020, 35 wind turbine generators were placed in service and included in customer rates on January 1, 2021. The remaining 97 wind turbine generators were fully placed into service, producing power, and connected to transmission facilities on July 26, 2021. The requested deferral is for the costs

[10] RAC Stipulation at 5. ("The Parties agree that if the fixed costs of an eligible resource are not included in RAC charges, or otherwise included in rates, then the variable costs and cost offsets of the eligible resource likewise should not be included in the annual power cost update filings or power cost adjustment mechanisms.")

and benefits of the 97 remaining wind turbine generators at the TB Flats wind facility that are not yet included in customer rates.

B. Reasons for Deferral

As described above, TB Flats is currently in commercial operation and is used and useful, but the costs and benefits associated with the resource are not currently reflected in rates. The Commission has examined the TB Flats wind project as part of PacifiCorp's most recent general rate case and determined that it was "prudent and in the public interest".[11] However, since all of the remaining wind turbine generators were not be in service by June 30, 2021, PacifiCorp conferred with the parties to the general rate case. After those discussions PacifiCorp determined it was necessary to file a RAC. This deferral accounts for the costs and benefits of the TB Flats project until it is recovered through rates at the conclusion of the RAC proceeding.

C. Proposed Accounting

Beginning on July 27, 2021, PacifiCorp proposes to account for the revenue requirement and NPC and PTC benefits of TB Flats by recording the deferral in Account 182.3 (Regulatory Assets).

D. Estimate of Amounts

PacifiCorp estimates that approximately $12.4 million plus interest may be deferred for the revenue requirement and NPC and PTC Benefits of TB Flats for the 12 months beginning July 27, 2021.

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[11] *In the Matter of PacifiCorp dba Pacific Power, Request for a General Rate Revision,* Docket No. UE 374, Order No. 20-473 at 50 (Dec. 18, 2020).

E. Notice

A Notice of PacifiCorp's Application for Approval of Deferred Accounting for Costs relating to a renewable resource pursuant to ORS 469A.120 is included as Exhibit A, along with the list of persons served.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 469A.120 (1) and (3), the Commission authorize the Company to defer the costs described in this Application.

Respectfully submitted this 27th day of July, 2021.

By: ______________________________

Ajay Kumar,
Senior Attorney, OSB# 183903
PacifiCorp d/b/a Pacific Power
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Attorney for PacifiCorp

Exhibit A

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM ____

In the Matter of PACIFICORP d/b/a PACIFIC POWER Application for Approval of Deferred Accounting for Costs Relating to a Renewable Resource Pursuant to ORS 469A.120	**NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING**

On July 27, 2021, PacifiCorp d/b/a Pacific Power filed an application with the Public Utility Commission of Oregon (Commission) for an order authorizing the company to defer the revenue requirement associated with the remaining portion of the TB Flats wind facility. The granting of this application 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
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.

Respectfully submitted on July 27, 2021.

By: ______________________________
Ajay Kumar
Senior Attorney

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of PacifiCorp's **NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING** on the parties listed below via electronic mail and/or or overnight delivery in compliance with OAR 860-001-0180.

Service List
UE 374

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Dated this 27th day of July, 2021.

Mary Penfield
Adviser, Regulatory Operations