

November 1, 2017

VIA ELECTRONIC FILING

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

Attn: Filing Center

RE: UM 1483/UE ___ – Schedule 204 - Oregon Solar Incentive Program Deferral Supply Service Adjustment

In compliance with ORS 757.205, OAR 860-022-0025, OAR 860-022-0030, and ORS 757.210, PacifiCorp d/b/a Pacific Power provides to the Public Utility Commission of Oregon (Commission) the following information regarding Schedule 204 Oregon Solar Incentive Program Deferral Supply Service Adjustment (Schedule 204), of the company's Tariff P.U.C. OR No. 36, which sets forth all rates, tolls, charges, rules, and regulations applicable to electric service in the State of Oregon.

The purpose of this filing is to request approval to amortize the deferral balance relating to dockets UM 1483(6) and (7) associated with PacifiCorp's costs for the Oregon Solar Incentive Program (OSIP) deferred during the twelve months ended September 30, 2017.¹ PacifiCorp has reviewed and revised rates for this purpose annually; the last filing was effective January 1, 2017.² As discussed below, the proposed change to the annual collection amount already in rates is minimal, therefore PacifiCorp is proposing no change to Schedule 204 for 2018.

During the OSIP program year, PacifiCorp deferred approximately \$4.6 million, excluding interest, for the twelve months ended September 30, 2017. The deferral includes costs for program administration, incentive payments, and meter costs. The total deferral balance also reflects offsetting credits for customer charges and an avoided energy value. In addition, a residual credit balance of approximately \$362,000 relating to 2016 program costs has reduced the balance that PacifiCorp is seeking to amortize in this filing. Supporting workpapers will be sent to the Commission's workpaper electronic mailbox.

The total amount requested to be amortized in 2018 is \$4.5 million, which is a 0.01 percent decrease compared to the \$4.7 million currently in rates (approved for collection in 2017 in Advice No. 16-014). Due to the minimal change in the balance to be amortized, PacifiCorp believes the current rates in Schedule 204 are appropriate to collect the new amortization amount

¹ UM 1483(6) was filed on May 18, 2016, and was approved at the Public Meeting on November 25, 2016.

² Advice No. 10-022 was approved at the December 28, 2010, Public Meeting. Advice No. 11-019 was approved at the December 20, 2011, Public Meeting. Advice No. 12-019 was approved at the January 29, 2013, Public Meeting. Advice No. 13-019 was approved at the Public Meeting on January 21, 2014; Advice No. 14-012 was approved at the Public Meeting on December 16, 2014; continuation of amortization at the rates set in Advice No. 14-012 was approved in docket UE 302 at the Public Meeting on January 26, 2016; Advice 16-014 was approved at the Public Meeting on December 20, 2016.

for 2018. PacifiCorp proposes to leave the current Schedule 204 rates in effect for 2018 and proposes no change to the tariff at this time. Attachment A provides a comparison of the Schedule 204 revenues for 2018 under present rates to the amount to be amortized in 2018.

As PacifiCorp has previously stated, the earnings test set forth in ORS 757.259(5) is not applicable to the requested deferral amortization because PacifiCorp applied for deferral under ORS 757.365(1) or, in the alternative, ORS 469A.120,³ neither of which subject deferral amortization to the three percent cap set forth in ORS 757.259(6). However, the requested deferral amortization is less than three percent of the company's earnings, as required by ORS 757.259(6). Thus, while PacifiCorp takes the position that the costs associated with this mandatory program are not subject to the three percent cap on amortization of deferred costs under ORS 757.259(6), the deferral amortization is, in fact, less than three percent of the company's earnings.

It is respectfully requested that all data requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

All other inquiries may be directed to Natasha Siores, Manager, Regulatory Affairs, at (503) 813-6583.

Sincerely,



Etta Lockey
Vice President, Regulation

³ PacifiCorp also applied under the general deferral statute, ORS 757.259 in the event the Commission found that neither ORS 757.365 nor ORS 469A.120 provided grounds for deferral.

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of PacifiCorp's Schedule 204 – Oregon Solar Incentive Program Deferral Supply Service Adjustment, on the parties listed below via electronic mail delivery in compliance with OAR 860-001-0180.

Service List UM 1483

PACIFICORP DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 oregondockets@pacificorp.com	JESSE E COWELL DAVISON VAN CLEVE 333 SW TAYLOR ST., SUITE 400 PORTLAND OR 97204 jec@dvclaw.com
RENEE M FRANCE OREGON DEPARTMENT OF JUSTICE NATURAL RESOURCES SECTION 1162 COURT ST NE SALEM, OR 97301-4096 renee.m.france@doj.state.or.us	ROBERT JENKS CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 bob@oregoncub.org
MITCH MOORE PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM, OR 97308-1088 mitch.moore@state.or.us	ETTA LOCKEY PACIFICORP 825 NE MULTNOMAH ST., STE 1800 PORTLAND, OR 97232 etta.lockey@pacificorp.com
BRADLEY MULLINS MOUNTAIN WEST ANALYTICS 333 SW TAYLOR STE 400 PORTLAND OR 97204 brmullins@mwanalytics.com	WENDY SIMONS OREGON DEPARTMENT OF ENERGY 625 MARION ST NE SALEM, OR 97301 wendy.simons@oregon.gov
JOHANNA RIEMENSCHNEIDER PUC STAFF - DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM OR 97301-4796 johanna.riemenschneider@doj.state.or.us	

Dated this 1st day of November 2017.



Katie Savarin
Coordinator, Regulatory Operations

Attachment A

**PACIFIC POWER
STATE OF OREGON
OREGON SOLAR INCENTIVE PROGRAM DEFERRAL ADJUSTMENT - SCHEDULE 204
FORECAST 12 MONTHS ENDED DECEMBER 31, 2018**

Line No.	Description	Sch No.	No. of Cust	MWh	Present Schedule 204	
					Rates ¢/kWh	Revenues \$
(1)	(2)	(3)	(4)	(5)	(6)	(4)*(6)
<u>Residential</u>						
1	Residential	4	497,076	5,251,930	0.039	\$2,031,465
2	Total Residential		497,076	5,251,930		\$2,031,465
<u>Commercial & Industrial</u>						
3	Gen. Svc. < 31 kW	23	80,346	1,124,848	0.037	\$415,876
4	Gen. Svc. 31 - 200 kW	28	10,280	2,014,081	0.038	\$763,909
5	Gen. Svc. 201 - 999 kW	30	843	1,340,195	0.036	\$485,193
6	Large General Service >= 1,000 kW	48	199	2,680,032	0.033	\$895,496
7	Partial Req. Svc. >= 1,000 kW	47	7	59,851	0.033	\$19,998
8	Agricultural Pumping Service	41	9,622	220,060	0.037	\$82,363
9	Total Commercial & Industrial		101,297	7,439,067		\$2,662,836
<u>Lighting</u>						
10	Outdoor Area Lighting Service	15	6,414	9,243	0.029	\$2,724
11	Street Lighting Service	50	230	7,703	0.024	\$1,874
12	Street Lighting Service HPS	51	808	20,116	0.038	\$7,705
13	Street Lighting Service	52	35	403	0.029	\$118
14	Street Lighting Service	53	273	9,695	0.012	\$1,212
15	Recreational Field Lighting	54	105	1,479	0.022	\$319
16	Total Public Street Lighting		7,865	48,639		\$13,953
17	Employee Discount			16,436		(\$1,589)
18	Total		<u>606,238</u>	<u>12,739,636</u>		<u>\$4,706,665</u>
Estimated 2018 Collection Requirement						\$4,526,948
Difference						(\$179,717)
Percent of Net Revenues						-0.01%