



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

August 24, 2015

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-1166

Attn: Filing Center

RE: AR 591—PacifiCorp's Comments in the Rulemaking to Implement SB 329 Relating to Annual Fee Percentage Rate

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) appreciates the opportunity to provide comments in the above-referenced rulemaking. The Company provides the following comments pertaining to the implementation of the rules impacted by SB 329.

In the event that the Commission notifies utilities of the annual fee percentage level in excess of the previous cap of 0.25 percent, PacifiCorp proposes that the Commission provide an opportunity for affected utilities to file for authorization under ORS 757.259(2) to defer the difference between the utility's annual fee at the new rate and the annual fee at the previous rate of 0.25 percent. Calculating the deferral in this way ensures that the difference due to the change in the maximum percentage for the fee is captured and that normal variations in the annual fee due to other factors are still absorbed by the utility. Because the collection and payment of the annual fee is a pass-through, the Company further proposes that such deferral will not be subject to an earnings test. The utilities may seek reauthorization of the deferrals until such time as the new annual fee percentage is reflected in rates through a rate proceeding.

The deferral proposal described above is generally consistent with the treatment allowed by the Commission in Order No. 10-083, issued in 2010, when the Commission, seeking to reduce its cash reserves, lowered the annual fee level and ordered that electric and natural gas utilities defer the difference between the previous percentage and lowered percentage. The Company makes this proposal due to the potential financial impact of the increase in the annual fee.

If you have questions about these comments, please contact Erin Apperson, Manager Regulatory Affairs, at (503) 813-6642.

Sincerely,

R. Bryce Dalley
Vice President, Regulation