BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1667

| In the Matter of |) |
|-------------------------------|--------|
| PACIFICORP dba PACIFIC POWER |)) |
| 2014 Annual Smart Grid Report |) |

COMMENTS OF THE CITIZENS' UTILITY BOARD OF OREGON

December 17, 2014



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OF OREGON

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| |) | COMMENTS OF THE CITIZENS' |
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| |) | |
| 2014 Annual Smart Grid Report |) | |
| |) | |

The Citizens' Utility Board of Oregon (CUB) appreciates the opportunity to submit comments on PacifiCorp's (the Company) 2014 Annual Smart Grid Report. CUB recognizes the Company's improvements in its smart grid report and applicate the Company in its 2014 approach. Though CUB continues to believe that the Company can expand its vision for smart grid application, CUB finds the updates to the report to be clear and concise.

Substantive Updates, But Similar Concerns

In the Company's 2013 report, it provided a thorough review of smart grid technology and detailed how it could theoretically be implemented on a broad scale. The Company states throughout its 2014 Smart Grid Report that it will continue to explore cost-effective options for the smart grid, and while CUB agrees that it is wise to abstain from risks, it is still CUB's perspective that the Company should consider additional innovative endeavors. In addition, CUB continues to hold its opinions regarding pricing programs, direct load control, and a discussion on social benefits. The Company does not address social benefits, nor does it appear to CUB that

significant strides have been made as far as new projects go. For a fuller discussion, see CUB's Comments in UM 1667 for 2013.¹

CUB nonetheless appreciates the Company's updates and considers the current report to be more detailed in explaining the types of projects the Company has undertaken and the reasons those projects have failed, succeeded, or are not cost-effective. CUB perceives that this year's report is more robust in terms of project updates, and CUB appreciates this, as well as the Company's strong consideration of cost-effectiveness. CUB notes that the Company issued an RFP to refine the costs of implementing an advanced metering system and that the results of the analysis will be complete by December 31, 2014. CUB applauds the Company in this approach and is looking forward to hearing the results of the analysis. CUB also appreciates the Company's inclusion of cost and benefits in its confidential attachment to the report, however, CUB recommends including more elaborate descriptions within the main text of the document for clarification.

Conclusion

The PacifiCorp 2014 Smart Grid Report includes a more robust description of current projects, but CUB would still like to see more innovation. The content of this year's smart grid report is more relevant to understanding the reasoning behind the results, and CUB appreciates the Company's effort to maintain cost-effectiveness. However, while it is still reasonable to assume that the time may not be right for mass investment in smart grid technology, CUB continues to encourage the Company to make greater strides in revising its smart grid strategy.

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¹ UM 1667 – CUB's Comments on PacifiCorp's 2013 Smart Grid Report.

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Sincerely,

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UM 1667 – CERTIFICATE OF SERVICE

I hereby certify that, on this 17th day of December, 2014, I served the foregoing **COMMENTS OF THE CITIZENS' UTILITY BOARD OF OREGON** in docket UM 1667 upon each party listed in the UM 1667 PUC Service List by email and, where paper service is not waived, by U.S. mail, postage prepaid, and upon the Commission by email and by sending one original and five copies by U.S. mail, postage prepaid, to the Commission's Salem offices.

(W denotes (C denotes service of Confidential material

waiver of paper authorized)

service)

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Respectfully submitted,

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