

May 22, 2018

***VIA ELECTRONIC FILING***

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


Attn: Filing Center

**RE: UM 1925—PacifiCorp's Reply**

In compliance with OAR 860-001-0420(5), PacifiCorp d/b/a Pacific Power encloses for filing its Reply to Public Utility Commission of Oregon Staff's Response to PacifiCorp's Motion to Dismiss Staff's Application in the above-referenced docket.

Please direct any informal inquiries regarding this filing to Natasha Siores, Manager, Regulatory Affairs, at (503) 813-6583.

Sincerely,



Etta Lockey  
Vice President, Regulation

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1925

In the Matter of

STAFF OF THE PUBLIC UTILITY  
COMMISSION OF OREGON,

Application to Defer Changes in  
PacifiCorp's Federal Tax Obligations  
Resulting from H.R. 1- Tax Cuts and Jobs  
Act.

**PACIFICORP'S REPLY TO STAFF'S  
RESPONSE TO MOTION TO DISMISS**

In compliance with OAR 860-001-0420(5), PacifiCorp d/b/a Pacific Power provides the following Reply to Staff's Response to PacifiCorp's Motion to Dismiss Staff's Application to Defer Changes in PacifiCorp's Federal Tax Obligations Resulting from H.R. 1- Tax Cuts and Jobs Act (Application).

**I. BACKGROUND**

PacifiCorp filed with the Public Utility Commission of Oregon (Commission) its Application for Deferred Accounting Related to H.R. 1- Tax Cuts and Jobs Act (PacifiCorp's Application) on December 28, 2017, which was docketed as UM 1917. The next day, on December 29, 2017, Staff filed its Application. On January 29, 2018, Staff requested that the comment date be extended. On March 22, 2018, Staff again extended the comment date until April 30, 2018. On April 30, 2018, PacifiCorp filed its Motion to Dismiss and Comments in the above captioned docket. Staff filed its Response to the Motion to Dismiss on May 15, 2018 (Staff Response).

## II. ARGUMENT

PacifiCorp’s Motion to Dismiss should be granted and there is good cause to waive the timing requirement in OAR 860-001-0420(3). Staff’s argument in its Response is that PacifiCorp retains “sole discretion to discontinue” its deferral application in docket UM 1917.<sup>1</sup> PacifiCorp has been clear in its discussions with Staff, and will state unequivocally again here, that it has no intent to withdraw its application in docket UM 1917. Concern over the risk that PacifiCorp *might* withdraw its application in docket UM 1917 could be mitigated by timely seeking Commission deliberation. Any concerns with the actual calculation of the deferral can easily be addressed in subsequent discussions and updates. The Commission has approved deferral applications when the utility is still calculating the amounts and methodology of the deferral.

Staff’s argument that PacifiCorp is not administratively burdened<sup>2</sup> by two separate applications for the same deferral is incorrect. PacifiCorp, as the utility directly impacted by Staff’s filing in docket UM 1925, is obligated to participate. It would neither be prudent nor meet fiduciary obligations to ignore a proceeding where PacifiCorp is the named utility. Staff’s claim that PacifiCorp’s involvement is *optional*<sup>3</sup> is not only wrong, but contrary to the very foundation of economic regulation by the Commission.

PacifiCorp agrees that Staff and PacifiCorp are not similarly situated,<sup>4</sup> but that is precisely why Staff’s separate action on the same deferral is prejudicial to PacifiCorp. Staff controls the timing and matters for Commission deliberation. It is Staff that will make a recommendation to the Commission at a public meeting or proceed as a contested case

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<sup>1</sup> Staff Response at p. 3, lines 15–17, p. 4, lines 1–2, 6–9, and 19–21, and p. 5, lines 19–22.

<sup>2</sup> *Id.* at pp. 6–7.

<sup>3</sup> *Id.* at p.6, line 5.

<sup>4</sup> *Id.* at p.3, lines 13–14.

proceeding.<sup>5</sup> PacifiCorp must participate because, at any time, Staff could recommend action on its deferral application in docket UM 1925. Staff's claim that it is not actively pursuing disposition of docket UM 1925 provides little comfort. Through its duplicative proceeding, Staff is in a position to select which application moves forward. If Staff determines that its application should proceed, it will be reviewing its own application and recommendation, making PacifiCorp's application in docket UM 1917 moot. If PacifiCorp objects to any part of Staff's recommendation, it would have few options other than to request a contested case proceeding given the short period between a Staff memo and the public meeting, prolonging an already extended process. This is precisely why duplicative proceedings threaten due process and the Commission should grant the Motion to Dismiss.

PacifiCorp urges Staff to seek Commission deliberation and recommend approval of the deferral in docket UM 1917 as soon as possible. Approval of PacifiCorp's request for a deferral is a component of PacifiCorp's proposal for amortization and rate relief for customers in 2018, addressing the concerns articulated in the Staff Response.

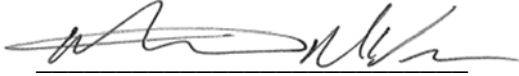
### **III. CONCLUSION**

For the reasons stated above, and in PacifiCorp's Motion to Dismiss, PacifiCorp requests that Staff's Application be dismissed as duplicative and unnecessary.

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<sup>5</sup> *Id.* at p.6, lines15–18 (“However, the purpose of the notice requirement is to ensure that Staff is aware of the interest and positions of other parties regarding the disposition of the deferral, so that it may either make a recommendation to the Commission at a public meeting or proceed as a contested case proceeding.”).

Respectfully submitted May 22, 2018.

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