

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: January 28, 2015

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE February 1, 2015

DATE: January 15, 2015

TO: Public Utility Commission

FROM: Deborah Garcia *DG*

THROUGH: Jason Eisdorfer *J* and Marc Hellman *M*

SUBJECT: PACIFIC POWER: (Advice No. 15-001) Requests Schedule 203 rates be set to zero with less than statutory notice.

**STAFF RECOMMENDATION:**

Pacific Power's filing be approved with less than statutory notice.

**DISCUSSION:**

Pacific Power (Pacific or Company) made this filing pursuant to ORS 757.205 and OAR 860-022-0025 to reduce to zero the rates in its Schedule 203, Renewable Resource Deferral Supply Service Adjustment. Because Pacific has requested that the rates change in less than 30 days, the Company also filed an application requesting a waiver of the statutory notice period.

The Commission approved the current Schedule 203 rates by Order No. 14-018 (Advice No. 13-025) to amortize deferred amounts associated with three renewable projects, Black Cap Solar Project (Black Cap) Costs (UM 1627), Black Cap Lease Payment Reduction (UM 1640) and Unbundled Renewable Energy Certificates Costs (UM 1646).

Pacific expects that the amortization of the deferred amount will be complete on or before January 31, 2015, meaning that the account balance will be too low to support the existing rates. During a telephone conversation with Staff, Pacific confirmed that any remaining residual amount (over or under collection) will be transferred to FERC Account 254, Other Regulatory Liabilities where it will remain until such time that a material balance is accumulated through the addition of other amortization account

residuals. When a material balance is accumulated, Pacific will propose a method for that balance to be amortized.

Rather than requesting that Schedule 203 be terminated, the Company requests the rates be set to zero so that the schedule is retained and rates can be modified to accommodate any future deferral amounts that are eligible to be collected from or returned to customers under this schedule.

The proposed change to Schedule 203 will affect approximately 588,000 customers, and will result in an overall annual rate decrease of approximately \$493,000 or 0.04 percent. A residential customer using 900 kWh per month will see a monthly bill decrease of \$0.03 as a result of this change.

#### Staff Analysis

After a review of Pacific's filing and workpapers, Staff recommends Commission approval.

#### **PROPOSED COMMISSION MOTION:**

Pacific Power's filing with less than statutory notice be approved and the associated tariff be allowed to take effect on February 1, 2015.