

March 26, 2014

***VIA ELECTRONIC FILING  
AND OVERNIGHT DELIVERY***

Oregon Public Utility Commission  
3930 Fairview Industrial Dr. S.E.  
Salem, OR 97302-1166

Attn: Filing Center

**RE: Advice No. 14-005—Proposed Schedule 215—Irrigation Time-of-Use Pilot**

In compliance with ORS 757.205, OAR 860-022-0025, and OAR 860-022-0030, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) submits for filing the following proposed tariff pages associated with Tariff P.U.C. OR No. 36, which sets forth all rates, tolls, charges, rules, and regulations applicable to electric service in Oregon. The Company requests an effective date of April 29, 2014.

Thirteenth Revision of Sheet No. INDEX-3		Table of Contents – Schedules
Original Sheet No. 215-1	Schedule 215	Irrigation Time-of-Use Pilot – Supply Service
Original Sheet No. 215-2	Schedule 215	Irrigation Time-of-Use Pilot – Supply Service

The purpose of this filing is to implement a pilot time-of-use rate program for irrigation customers (Pilot Program). As part of the Company’s 2013 Integrated Resource Plan (IRP) Action Plan the Company committed to developing a pilot program for irrigation time-of-use in Oregon for the 2014 irrigation season.<sup>1</sup> This pilot will test the interest, willingness, and ability of irrigators in Oregon to shift their usage away from designated on-peak periods. The results of the pilot will be used to inform future decisions on rate design and on future Class 3 potential studies for the IRP.

Pilot Design

The Company proposes to enroll up a maximum of 50 irrigation meters for this pilot. A pool of 200 randomly selected irrigators in the Albany and Klamath areas will be invited via letter to sign up for the pilot. Participation will be voluntary on a first-come, first-serve basis up to a maximum of 50 meters.

The pilot rate design was developed based on the most recently available load data. The pilot will have time-based energy rates for the months of June, July, and August only, which will be designated as the Prime Summer season. This selection is based on the months with the highest

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<sup>1</sup> See PacifiCorp 2013 IRP, Docket LC 57, Volume 1, Chapter 9, page 250.

contribution of Oregon irrigation to the system peak. The on-peak period for this season will be Monday through Friday, 2 p.m. to 6 p.m., excluding the Independence Day holiday. This selection is based on the hours of the day during which the majority of system peaks occur, with approximately 90 percent falling into this period. Rates outside of the Prime Summer season will be standard cost of service rates with no time-based adders.

#### Proposed Rates

Total time-based energy rates for the pilot's Prime Summer season have been designed to be revenue neutral for the average irrigation energy usage of 12.1 percent during the on-peak period. Pilot participants will pay all standard cost of service rates<sup>2</sup> plus additional time-based adders consisting of a surcharge during on-peak hours and a credit during off-peak hours. The adders have been designed such that the total on-peak rate is four times the total off-peak rate. The proposed on-peak surcharge is 17.951 cents per kilowatt-hour. The proposed off-peak credit is -2.479 cents per kilowatt-hour. At the present Schedule 41 cost-based rate of 9.197 cents per kilowatt hour, these adders result in a net on-peak rate of 27.148 cents per kilowatt-hour and a net off-peak rate of 6.718 cents per kilowatt hour. A large differential between on- and off-peak rates will send a strong signal to participants to eliminate on-peak usage or shift that usage to an off-peak period.

Currently, small Schedule 41 irrigation customers are eligible for Schedule 210, Portfolio Time-of-Use Supply Service (Portfolio Option). Approximately 59 eligible Schedule 41 customers take service under Schedule 210. The Portfolio Option has an on-peak rate that is approximately two times the total off-peak rate. With the Pilot Program's proposed differential twice as large as the current Portfolio Option rates, the Company will be able to compare customer response to the different price signals.

#### Pilot Period

The Company proposes that customers choosing to participate in the Pilot Program be required to remain on the pilot through the end of the 2014 Prime Summer season. This will help ensure that data gathered on the pilot will include a sufficient number of participants to be meaningful.

#### Guarantee Payment

In order to prevent large and unexpected increases in customer bills due to the pilot rates, the Company proposes to implement a Guarantee Payment, similar to the payment in place for the Portfolio Option. This guarantee will ensure that if a customer's total bills for the Prime Summer months under the pilot program exceed ten percent of what their bills would have been under cost of service rates, the amount over ten percent will be credited back to the customer following the end of the Prime Summer period. After the 2014 Prime Summer season customers will be allowed to opt out of the pilot program. Customers choosing to opt out of the pilot will not be allowed back into the program. The Company proposes to leave the pilot in place for two irrigation seasons, ending after summer 2015, to allow for a second season of data to be gathered. The Guarantee Payment will only be available for the 2014 Prime Summer season.

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<sup>2</sup> PacifiCorp's cost of service rates consist of monthly energy charges with annual basic and load size charges billed in November at the end of the growing season.

The Company plans to send out a survey at the end of the 2014 Prime Summer season to all 200 customers invited to participate in the Pilot Program, along with irrigation customers on the current Portfolio Option. Responses from pilot participants along with responses from those who did not choose to participate will help to evaluate the interest, willingness, and ability of irrigators to respond to time-based rates.

To support this filing and meet the requirements of OAR 860-022-0025 and OAR 860-022-0230, Pacific Power submits the tariff sheets listed above with the following supporting attachments:

Attachment A—Proposed Time-Based Adder Rates

Attachment B—Estimated Summer Monthly Bill Impacts

This proposed pilot will affect approximately 50 customers who volunteer to participate. The proposed rates are designed to be revenue neutral and will result in no annual rate change. The average irrigation customer shifting all of their on-peak usage into off peak periods could see a summer monthly bill savings of 27 percent over cost of service rates. Detail on potential monthly savings is shown in Attachment B.

Although time-based rates under the pilot will not begin until June 1, the Company proposes that the tariffs become effective April 29 to allow time to migrate customers onto the program and install meters prior to the Prime Summer season.

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

By E-Mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

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

Please direct questions about this filing to Joelle Steward, Director of Pricing, Cost of Service, and Regulatory Operations, at (503) 813-5542.

Sincerely,



R. Bryce Dalley  
Vice President, Regulation

Enclosure

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**Schedule No.**

	<b>SUPPLY SERVICE</b>	
200	Base Supply Service	
201	Net Power Costs – Cost-Based Supply Service	
210	Portfolio Time-of-Use Supply Service	
211	Portfolio Renewable Usage Supply Service	
212	Portfolio Fixed Renewable Energy– Supply Service	
213	Portfolio Habitat Supply Service	
215	Irrigation Time-of-Use Pilot Supply Service	(N)
220	Standard Offer Supply Service	
230	Emergency Supply Service	
247	Partial Requirements Supply Service	
276R	Large General Service/Partial Requirements Service – Economic Replacement Power Rider Supply Service	
	<b>ADJUSTMENTS</b>	
80	Transmission Investment Adjustment	
90	Summary of Effective Rate Adjustments	
91	Low Income Bill Payment Assistance Fund	
93	Independent Evaluator Cost Adjustment	
94	Distribution Safety Surcharge	
96	Property Sales Balancing Account Adjustment	
97	Intervenor Funding Adjustment	
98	Adjustment Associated with the Pacific Northwest Electric Power Planning and Conservation Act	
101	Municipal Exaction Adjustment	
103	Multnomah County Business Income Tax Recovery	
199	Klamath Dam Removal Surcharges	
202	Renewable Adjustment Clause – Supply Service Adjustment	
203	Renewable Resource Deferral – Supply Service Adjustment	
204	Oregon Solar Incentive Program Deferral – Supply Service Adjustment	
205	TAM Adjustment for Other Revenues	
206	Power Cost Adjustment Mechanism – Adjustment	
270	Renewable Energy Rider – Optional	
271	Energy Profiler Online – Optional	
272	Renewable Energy Rider – Optional Bulk Purchase Option	
290	Public Purpose Charge (3%)	
294	Transition Adjustment	
295	Transition Adjustment – Three-Year Cost of Service Opt-Out	
297	Energy Conservation Charge	
299	Rate Mitigation Adjustment	

**IRRIGATION TIME-OF-USE PILOT SUPPLY SERVICE**
**Purpose**

To implement a pilot program for optional time-of-use rates for irrigation customers. The pilot is expected to be in place through the Prime Summer season for 2015.

**Available**

To areas served by the Company in and around Klamath Falls and Albany, Oregon.

**Applicable**

To agricultural irrigation or agricultural soil drainage pumping Consumers receiving Delivery Service under Schedule 41, in conjunction with Supply Service Schedule 201, who have been invited to participate in this pilot and who elect to take this service. Participation will be limited to fifty (50) metered points of delivery belonging to Consumer accounts in good standing. No more than three metered points of delivery belonging to one consumer will be allowed into the pilot.

**Monthly Billing**

The Monthly Billing shall be the Energy Charge. The Monthly Billing is in addition to all other charges contained in Delivery Service Schedule 41, Base Supply Service Schedule 200 and Supply Service Schedule 201.

**Energy Charge**

	<b>Prime Summer Season</b>
41 On-Peak kWh, per kWh	17.951¢
Off-Peak kWh, per kWh	(2.479)¢

**Seasonal Definition**

Prime Summer season is defined as June 1 through August 31. Time-of-use adders under this pilot apply for the Prime Summer season only. No adjustments will be applied in other months.

**On-Peak Period**

Prime Summer  
 Monday through Friday 2:00 p.m. to 6:00 p.m.

All other months have no time-of-use periods.

**Off-Peak Period**

Prime Summer  
 All non On-Peak Period hours and days plus the following holiday: Independence Day.

All other months have no time-of-use periods.

(continued)

**IRRIGATION TIME-OF-USE PILOT SUPPLY SERVICE**

**Guarantee Payment**

The Company shall guarantee against excessive increase of consumer costs for the 2014 Prime Summer of enrollment in the program. If the total energy costs incurred on this Schedule for the 2014 Prime Summer season exceed 10% over what costs would have been for the same period under Cost-Based Supply Service, the net difference, Guarantee Payment, will be credited on the customer's bill following the end of the 2014 Prime Summer season. No Guarantee Payment shall be given if Consumer terminates service before the end of the 2014 Prime Summer period.

**Special Conditions**

1. A randomly selected sample of 200 Consumers will be invited via mail to participate in this pilot. The sample pool will be prescreened to Consumers with accounts in good standing and based on service type, meter location and meter type. Participation will be limited to fifty (50) Consumer accounts in good standing and will be available on a first come, first serve basis. No more than three accounts belonging to one consumer will be allowed into the pilot.
2. The Company will consider a Consumer account in good standing if the Consumer does not have any of the following:
  - Time-payment agreement in effect
  - Received two or more final disconnect notices
  - Been disconnected for non-payment within the last 12 months
  - More than one month's charges in balance on the account.
3. The Consumer must have a time-of-use meter installed to participate in this option. The appropriate meter will be installed or the existing meter reprogrammed on the Consumer premises at no extra charge to the Consumer. The replacement of older meters may result in more accurate metering. The Consumer will be responsible for all charges based on accurate meter measurements from new meters. Billing under this schedule shall begin for the Consumer following installation of the time-of-use meter and the initial meter reading. Rates under this schedule prior to the beginning of the Prime Summer time-of-use rate season will be standard cost-based rates.
4. Consumers requesting service under this pilot program agree to remain on the pilot through the end of the initial Prime Summer season which ends on August 31, 2014. Consumers will have the option to opt out of the pilot after this date by notifying the Company. Service will continue under this schedule until Consumer notifies the Company to discontinue service or this schedule terminates. Customers choosing to opt out of the pilot program after the initial Prime Summer will not be allowed to return to the pilot.
5. All Consumers invited to participate in this pilot program will be asked to complete a survey following the end of the initial Prime Summer season. Survey responses will be used to further evaluate the potential of future time-of-use irrigation rates. Data gathered will be used for pilot evaluation only.

**Continuing Service**

This Schedule is based on continuing service at each service location. Disconnect and reconnect transactions shall not operate to relieve a Consumer from monthly minimum charges

Attachment A  
Proposed Time-Based Adder Rates

**Pacific Power  
State of Oregon  
Schedule 41 Irrigation Time-of-Use Pilot  
Proposed Time-Based Adder Rates**

			Usage Levels (kWh)									
			1,000	2,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000	10,000
Present Sch 41 Net Summer kWh Rate <sup>1</sup> :	9.197	Monthly Bill	\$92	\$184	\$276	\$368	\$460	\$552	\$644	\$736	\$828	\$920
Proposed On-Peak Hours: Weekdays 2 p.m to 6 p.m., excluding holidays <sup>2</sup> .												
Prime Summer <sup>3</sup> On-Peak kWh Percentage:			12.1%									
Proposed Prime Summer On-Peak Surcharge:			17.951									
Proposed Prime Summer Off-Peak Surcredit:			-2.479									
Summer Net Rate with Proposed On-Peak Surcharge:			27.148									
Summer Net Rate with Proposed Off-Peak Surcredit:			6.718									
Ratio Net On-Peak Rate/Off-Peak Rate			4.0									

TOU Rates:		Monthly Savings										
Switch	0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Switch	-10%	(\$2.48)	(\$4.96)	(\$7.44)	(\$9.92)	(\$12.40)	(\$14.88)	(\$17.36)	(\$19.84)	(\$22.32)	(\$24.79)	
Switch	-20%	(\$4.96)	(\$9.92)	(\$14.88)	(\$19.84)	(\$24.79)	(\$29.75)	(\$34.71)	(\$39.67)	(\$44.63)	(\$49.59)	
Switch	-40%	(\$9.92)	(\$19.84)	(\$29.75)	(\$39.67)	(\$49.59)	(\$59.51)	(\$69.42)	(\$79.34)	(\$89.26)	(\$99.18)	
Switch	-70%	(\$17.36)	(\$34.71)	(\$52.07)	(\$69.42)	(\$86.78)	(\$104.14)	(\$121.49)	(\$138.85)	(\$156.21)	(\$173.56)	
Switch	-100%	(\$24.79)	(\$49.59)	(\$74.38)	(\$99.18)	(\$123.97)	(\$148.77)	(\$173.56)	(\$198.36)	(\$223.15)	(\$247.95)	

Notes:

<sup>1</sup> Excludes pass through surcharges. Secondary rates in effect as of February 1, 2014.

<sup>2</sup> Holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

<sup>3</sup> Pilot program summer months defined as June through August.



## Attachment B

# Estimated Summer Monthly Bill Impacts

**Pacific Power  
State of Oregon  
Estimated Summer Monthly Bill Impacts of Energy Shift - COS vs. Proposed TOU Pilot  
Irrigation Schedule 41 Secondary - Peak Summer<sup>1</sup>**

**Energy Charge Only**

kWh	COS <sup>2</sup>	On-Peak to Off-Peak Shift																	
		0% Shift			10% Shift			20% Shift			40% Shift			70% Shift			100% Shift		
		TOU	Save	%	TOU	Save	%	TOU	Save	%	TOU	Save	%	TOU	Save	%	TOU	Save	%
1,000	\$91.97	\$91.97	\$0.00	0%	\$89.49	\$2.48	3%	\$87.01	\$4.96	5%	\$82.05	\$9.92	11%	\$74.61	\$17.36	19%	\$67.18	\$24.79	27%
2,000	\$183.94	\$183.94	\$0.00	0%	\$178.98	\$4.96	3%	\$174.02	\$9.92	5%	\$164.10	\$19.84	11%	\$149.23	\$34.71	19%	\$134.35	\$49.59	27%
3,000	\$275.91	\$275.91	\$0.00	0%	\$268.47	\$7.44	3%	\$261.03	\$14.88	5%	\$246.16	\$29.75	11%	\$223.84	\$52.07	19%	\$201.53	\$74.38	27%
4,000	\$367.88	\$367.88	\$0.00	0%	\$357.96	\$9.92	3%	\$348.04	\$19.84	5%	\$328.21	\$39.67	11%	\$298.46	\$69.42	19%	\$268.70	\$99.18	27%
5,000	\$459.85	\$459.85	\$0.00	0%	\$447.45	\$12.40	3%	\$435.06	\$24.79	5%	\$410.26	\$49.59	11%	\$373.07	\$86.78	19%	\$335.88	\$123.97	27%
6,000	\$551.82	\$551.82	\$0.00	0%	\$536.94	\$14.88	3%	\$522.07	\$29.75	5%	\$492.31	\$59.51	11%	\$447.68	\$104.14	19%	\$403.05	\$148.77	27%
7,000	\$643.79	\$643.79	\$0.00	0%	\$626.43	\$17.36	3%	\$609.08	\$34.71	5%	\$574.37	\$69.42	11%	\$522.30	\$121.49	19%	\$470.23	\$173.56	27%
8,000	\$735.76	\$735.76	\$0.00	0%	\$715.92	\$19.84	3%	\$696.09	\$39.67	5%	\$656.42	\$79.34	11%	\$596.91	\$138.85	19%	\$537.40	\$198.36	27%
9,000	\$827.73	\$827.73	\$0.00	0%	\$805.41	\$22.32	3%	\$783.10	\$44.63	5%	\$738.47	\$89.26	11%	\$671.52	\$156.21	19%	\$604.58	\$223.15	27%
10,000	\$919.70	\$919.70	\$0.00	0%	\$894.91	\$24.79	3%	\$870.11	\$49.59	5%	\$820.52	\$99.18	11%	\$746.14	\$173.56	19%	\$671.75	\$247.95	27%

Notes:

<sup>1</sup> Pilot program Peak Summer months defined as June through August.

<sup>2</sup> Excludes pass through surcharges. Secondary rates in effect as of February 1, 2014.