

February 13, 2015

***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. 15-003—Proposed Revisions to 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 March 25, 2015.

First Revision Sheet No. 215-1	Schedule 215	Irrigation Time-of-Use Pilot – Supply Service
First Revision Sheet No. 215-2	Schedule 215	Irrigation Time-of-Use Pilot – Supply Service

The purpose of this filing is to implement changes to the pilot time-of-use rate program for irrigation customers (Pilot Program), which was approved last year in Advice No. 14-005. The Pilot Program was designed to test the interest, willingness, and ability of irrigators in Oregon to shift their usage away from designated on-peak periods. The Pilot Program, as filed last year, was designed to be a two-year pilot for the summers of 2014 and 2015. Invitations to participate in the pilot were sent to irrigators in the Albany and Klamath Falls areas. Out of a target 50 participants, only six irrigators signed up. A compliance report on the first year of the pilot was filed with the Commission on December 1, 2014.

Following the first year of the pilot the Company conducted surveys at the end of the 2014 irrigation season with participants and non-participants in order to receive feedback on pilot design and communication. In addition to the surveys, the Company met on two occasions with irrigators in the Klamath Falls area to better understand their ability to shift usage during peak times and gauge general interest in the Pilot Program. Based on the feedback received, the Company proposes certain modifications to the Pilot Program for the summer of 2015 as discussed below.

Enrollment and Outreach

The Company proposes to reopen the pilot to all irrigators on Schedule 41 in the Klamath Falls area, up to 75 meters. Customers will be limited to no more than two meters each, with the

option of adding a third meter if fewer than 75 meters sign up by the end of the enrollment window. If the number of interested customers exceeds 75 meters, the Company will select participants through a lottery.

The Company is limiting the pilot to the Klamath Falls area for this reopener because the survey results indicated a greater interest in the program by customers in this area. The in-person meetings with irrigators in the area confirmed a strong interest in finding ways to reduce costs. Additionally, the smaller geographic area will simplify pilot implementation and allow the Company to better focus outreach in order to achieve higher participation.

Proposed Time of Use Rates

The Company proposes to increase the on- to off-peak net rate ratio from four times to five times in order to increase the potential bill savings for participants and encourage participation. Using the most recent irrigation load research data from summer 2014, the pilot's on- and off-peak adder rates beginning in 2015 have been designed to be revenue neutral for the average irrigation customer. Pilot participants will continue to pay all cost of service rates 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 five times the total off-peak rate. The proposed on-peak surcharge is 22.313 cents per kilowatt-hour for a total on-peak rate of 31.765 cents per kilowatt-hour. The proposed off-peak credit is -3.161 cents per kilowatt-hour for a total off-peak rate of 6.291 cents per kilowatt-hour. The proposed pilot rates are shown in Attachment A to this filing. Rates outside of the Prime Summer season will continue to be standard cost of service rates with no time-based adders. The Company will contact the six existing pilot participants regarding the changes in the rates and give them the option of continuing in the pilot with the revised rates or returning to standard Schedule 41 rates.

The Company proposes no changes to the on-peak period for the pilot; it will continue to be Monday through Friday, 2 p.m. to 6 p.m., excluding the Independence Day holiday, for the Prime Summer months of June, July and August only.

Pilot Term

The Company proposes at this time that the pilot continue through the summer of 2015. Following the summer of 2015, the company will evaluate additional options for continuation or revision of the pilot, and reopening for additional participation. The Company anticipates retaining some form of time of use rates to be available for irrigation customers on an on-going basis in the future.

Guarantee Payment

In order to prevent large and unexpected increases in customer bills due to the pilot rates, the pilot provided a bill guarantee for the 2014 irrigation season such that if a customer's total bills for the Prime Summer months under the pilot exceeded ten percent of what their bills would have been under cost of service rates, the amount over ten percent would be credited back to the customer following at the end of the Prime Summer season. With the request to expand the pilot to new participants and to revise rates for current participants, the Company proposes to expand Guarantee Payment assurance to the 2015 Prime Summer season as well.

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 75 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 33 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 March 25, 2015, to allow time to market the pilot, enroll customers, 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@pacificcorp.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

Purpose

To implement a pilot program for optional time-of-use rates for irrigation customers. (D)

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. New participation in 2015 will be limited to approximately seventy-five (75) metered points of delivery. No more than three metered points of delivery belonging to one consumer will be allowed into the pilot. (C)
 (C)

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

		Prime Summer Season	
41	On-Peak kWh, per kWh	22.313¢	(I)
	Off-Peak kWh, per kWh	(3.161)¢	(I)

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)

Guarantee Payment

The Company shall guarantee against excessive increase of consumer costs for the 2014 and 2015 Prime Summers of enrollment in the program and thereafter for the first Prime Summer of enrollment. If the total energy costs incurred on this Schedule for the 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 Prime Summer season. No Guarantee Payment shall be given for a Prime Summer period if Consumer terminates service before the end of the Prime Summer period.

Special Conditions

1. In 2015, eligible Consumers in the Klamath Falls area will be invited via mail to participate in this pilot. Participants will be randomly chosen from list of interested Consumers. Participation will be limited to approximately seventy-five (75) metered points. No more than three accounts belonging to one consumer will be allowed into the pilot. (C)
2. 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. (C)
3. Consumers requesting service under this pilot program beginning in 2015 agree to remain on the pilot through the end of the 2015 Prime Summer season, which ends on August 31, 2015. 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. In the event that participants are added to the pilot after the 2015 Prime Summer season, such participants agree to remain on the pilot through the end of their first Prime Summer season of participation. (C)
4. All Consumers invited to participate in this pilot program may be asked to complete a survey following the end of the 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. (C)

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 ¹ :	9.452	Monthly Bill	\$95	\$189	\$284	\$378	\$473	\$567	\$662	\$756	\$851	\$945
Proposed On-Peak Hours: Weekdays 2 p.m. to 6 p.m., excluding holidays ² .												
Prime Summer ³ On-Peak kWh Percentage:	12.4%											
Proposed Prime Summer On-Peak Surcharge:	22.313											
Proposed Prime Summer Off-Peak Surcredit:	-3.161											
Summer Net Rate with Proposed On-Peak Surcharge:	31.765											
Summer Net Rate with Proposed Off-Peak Surcredit:	6.291											
Ratio Net On-Peak Rate/Off-Peak Rate	5.0											

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%	(\$3.16)	(\$6.32)	(\$9.48)	(\$12.65)	(\$15.81)	(\$18.97)	(\$22.13)	(\$25.29)	(\$28.45)	(\$31.61)	(\$34.77)
Switch	-20%	(\$6.32)	(\$12.65)	(\$18.97)	(\$25.29)	(\$31.61)	(\$37.94)	(\$44.26)	(\$50.58)	(\$56.91)	(\$63.23)	(\$69.55)
Switch	-40%	(\$12.65)	(\$25.29)	(\$37.94)	(\$50.58)	(\$63.23)	(\$75.87)	(\$88.52)	(\$101.17)	(\$113.81)	(\$126.46)	(\$139.10)
Switch	-70%	(\$22.13)	(\$44.26)	(\$66.39)	(\$88.52)	(\$110.65)	(\$132.78)	(\$154.91)	(\$177.04)	(\$199.17)	(\$221.30)	(\$243.43)
Switch	-100%	(\$31.61)	(\$63.23)	(\$94.84)	(\$126.46)	(\$158.07)	(\$189.68)	(\$221.30)	(\$252.91)	(\$284.53)	(\$316.14)	(\$347.75)

Notes:

¹ Excludes pass through surcharges. Secondary rates in effect as of January 1, 2015.

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

³ 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 Summer¹**

Energy Charge Only

kWh	COS ²	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	\$94.52	\$94.52	\$0.00	0%	\$91.36	\$3.16	3%	\$88.20	\$6.32	7%	\$81.87	\$12.65	13%	\$72.39	\$22.13	23%	\$62.91	\$31.61	33%
2,000	\$189.04	\$189.04	\$0.00	0%	\$182.72	\$6.32	3%	\$176.39	\$12.65	7%	\$163.75	\$25.29	13%	\$144.78	\$44.26	23%	\$125.81	\$63.23	33%
3,000	\$283.56	\$283.56	\$0.00	0%	\$274.08	\$9.48	3%	\$264.59	\$18.97	7%	\$245.62	\$37.94	13%	\$217.17	\$66.39	23%	\$188.72	\$94.84	33%
4,000	\$378.08	\$378.08	\$0.00	0%	\$365.43	\$12.65	3%	\$352.79	\$25.29	7%	\$327.50	\$50.58	13%	\$289.56	\$88.52	23%	\$251.62	\$126.46	33%
5,000	\$472.60	\$472.60	\$0.00	0%	\$456.79	\$15.81	3%	\$440.99	\$31.61	7%	\$409.37	\$63.23	13%	\$361.95	\$110.65	23%	\$314.53	\$158.07	33%
6,000	\$567.12	\$567.12	\$0.00	0%	\$548.15	\$18.97	3%	\$529.18	\$37.94	7%	\$491.25	\$75.87	13%	\$434.34	\$132.78	23%	\$377.44	\$189.68	33%
7,000	\$661.64	\$661.64	\$0.00	0%	\$639.51	\$22.13	3%	\$617.38	\$44.26	7%	\$573.12	\$88.52	13%	\$506.73	\$154.91	23%	\$440.34	\$221.30	33%
8,000	\$756.16	\$756.16	\$0.00	0%	\$730.87	\$25.29	3%	\$705.58	\$50.58	7%	\$654.99	\$101.17	13%	\$579.12	\$177.04	23%	\$503.25	\$252.91	33%
9,000	\$850.68	\$850.68	\$0.00	0%	\$822.23	\$28.45	3%	\$793.77	\$56.91	7%	\$736.87	\$113.81	13%	\$651.51	\$199.17	23%	\$566.15	\$284.53	33%
10,000	\$945.20	\$945.20	\$0.00	0%	\$913.59	\$31.61	3%	\$881.97	\$63.23	7%	\$818.74	\$126.46	13%	\$723.90	\$221.30	23%	\$629.06	\$316.14	33%

Notes:

¹ Pilot program Peak Summer months defined as June through August.

² Excludes pass through surcharges. Secondary rates in effect as of January 1, 2015.