

November 1, 2016

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street, SE, Suite 100
Salem, Oregon 97301-3389

Attn: Filing Center

**RE: Advice No. 16-014/UM 1483(6)/UE__
Schedule 204 – Oregon Solar Incentive Program Deferral Supply Service
Adjustment**

In compliance with ORS 757.205, OAR 860-022-0025, OAR 860-022-0030, and ORS 757.210, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) encloses for filing proposed tariff page associated with Tariff P.U.C. OR No. 36, which sets forth all rates, tolls, charges, rules, and regulations applicable to electric service in the State of Oregon. The Company respectfully requests an effective date of January 1, 2017.

Seventh Revision of Sheet No. 204 Schedule 204

Oregon Solar Incentive Program
Deferral Supply Service Adjustment

The purpose of this filing is to revise the rates in Schedule 204 to amortize the deferral balance relating to Docket UM 1483 associated with the Company's costs for the Oregon Solar Incentive Program (OSIP) deferred during the twelve months ended September 30, 2016. The Company has reviewed rates for this purpose annually; the last filing was effective January 1, 2016.¹

During the OSIP program year, the Company deferred approximately \$4.3 million, excluding interest, for the twelve months ended September 30, 2016. The deferral includes costs for program administration, incentive payments, and meter costs. The total deferral balance also reflects offsetting credits for customer charges and an avoided energy value. In addition, a residual credit balance of approximately \$24,000 relating to 2015 program costs has been included in the balance that the Company is seeking to amortize in this filing. The total amount proposed to be amortized in rates is \$4.7 million which is a slight increase of \$0.5 million over the amount currently in rates.

As previously stated by the Company, the earnings test set forth in ORS 757.259(5) is not applicable to the requested deferral amortization because the Company applied for deferral under ORS 757.365(1) or, in the alternative, ORS 469A.120,² neither of which subject deferral

¹ Advice No. 10-022 was approved at the December 28, 2010 Public Meeting. Advice No. 11-019 was approved at the December 20, 2011 Public Meeting. Advice No. 12-019 was approved at the January 29, 2013, Public Meeting. Advice No. 13-019 was approved at the Public Meeting on January 21, 2014. The Company's filing in docket UE 302 requesting continuation of current rates was approved at the January 11, 2016 Public Meeting.

² The Company also applied under the general deferral statute, ORS 757.259 in the event the Commission found that neither ORS 757.365 nor ORS 469A.120 provided grounds for deferral.

amortization to the three percent cap set forth in ORS 757.259(5). However, the requested deferral amortization is less than three percent of the Company's earnings, as required by ORS 757.259(5). Thus, while the Company takes the position that the costs associated with this mandatory program are not subject to the three percent cap on amortization of deferred costs under ORS 757.259(5), the deferral amortization is, in fact, less than three percent of the Company's earnings.

To support this supplemental filing and meet the requirements of OAR 860-022-0025 and OAR 860-022-0030, the Company submits proposed Schedule 204 along with the following attachments:

Attachment A: OSIP Deferral Schedule 204 Proposed Rates and Revenues
Attachment B: Estimated Effect of Proposed Price Change

As shown on Attachment B, the filing results in an overall percentage increase of 0.04 percent. This proposed change will affect approximately 596,000 customers, and will result in an overall annual rate increase of approximately \$483,000. A residential customer using 900 kWh per month would see a monthly bill increase of \$0.04 as a result of this change.

The proposed generation based cost allocation is consistent with past rate design for this adjustment schedule and with the approved rate spread and rate design methodology from the Company's most recent general rate case, Docket UE 263.

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

By E-mail (preferred): datarequest@pacificorp.com

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

All other inquiries may be directed to Natasha Siores at (503) 813-6583.

Sincerely,



R. Bryce Dalley
Vice President, Regulation

cc: Service List—UM 1483

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of PacifiCorp's Advice No. 16-014, Schedule 204 – Oregon Solar Incentive Program Deferral Supply Service Adjustment, on the parties listed below via electronic mail delivery in compliance with OAR 860-001-0180.

Service List UM 1483

PACIFICORP DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 oregondockets@pacificorp.com	RANDALL J FALKENBERG RFI CONSULTING INC PMB 362 8343 ROSWELL RD SANDY SPRINGS, GA 30350 consultrfi@aol.com
RENEE M FRANCE OREGON DEPARTMENT OF JUSTICE NATURAL RESOURCES SECTION 1162 COURT ST NE SALEM, OR 97301-4096 renee.m.france@doj.state.or.us	ROBERT JENKS CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 bob@oregoncub.org
JUDY JOHNSON PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM, OR 97308-1088 judy.johnson@state.or.us	ETTA LOCKEY PACIFICORP 825 NE MULTNOMAH ST., STE 1800 PORTLAND, OR 97232 etta.lockey@pacificorp.com
IRION A SANGER SANGER LAW PC 1117 SE 53RD AVE PORTLAND, OR 97215 irion@sanger-law.com	WENDY SIMONS OREGON DEPARTMENT OF ENERGY 625 MARION ST NE SALEM, OR 97301 wendy.simons@oregon.gov
MICHAEL T WEIRICH PUC STAFF--DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM, OR 97301-4096 michael.weirich@state.or.us	

Dated this 1st day of November 2016.



Jennifer Angell
Supervisor, Regulatory Operations

Proposed Schedule 204

**OREGON SOLAR INCENTIVE PROGRAM DEFERRAL
 SUPPLY SERVICE ADJUSTMENT**
Purpose

This schedule recovers the costs deferred for the Oregon Solar Incentive Program as authorized in Docket UM 1483.

Applicable

To all Residential consumers and Nonresidential consumers.

Energy Charge

The adjustment rate is listed below by Delivery Service Schedule.

<u>Delivery Service Schedule</u>	<u>Charge</u>		
4	0.039 cents per kWh	(l)	
5	0.039 cents per kWh		
15	0.029 cents per kWh		
23, 723	0.037 cents per kWh		
28, 728	0.038 cents per kWh		
30, 730	0.036 cents per kWh		
41, 741	0.037 cents per kWh		
47, 747	0.033 cents per kWh		
48, 748	0.033 cents per kWh		
50	0.024 cents per kWh		
51, 751	0.038 cents per kWh		
52, 752	0.029 cents per kWh		
53, 753	0.012 cents per kWh		
54, 754	0.022 cents per kWh		(l)

Attachment A

OSIP Deferral Schedule 204 Proposed Rates and Revenues

PACIFIC POWER
STATE OF OREGON
PROPOSED OREGON SOLAR INCENTIVE PROGRAM DEFERRAL ADJUSTMENT - SCHEDULE 204
FORECAST 12 MONTHS ENDED DECEMBER 31, 2017

Line No.	Description (1)	Sch No. (2)	No. of Cust (3)	MWh (4)	Present Generation Rate Spread ¹ (5)	Proposed Schedule 204	
						Rates ¢/kWh (6)	Revenues \$ (7)
Residential							
1	Residential	4	490,463	5,230,048	43.0241%	0.039	\$2,023,001
2	Total Residential		490,463	5,230,048			\$2,023,001
Commercial & Industrial							
3	Gen. Svc. < 31 kW	23	78,294	1,107,028	8.7045%	0.037	\$409,288
4	Gen. Svc. 31 - 200 kW	28	9,997	2,028,199	16.3603%	0.038	\$769,264
5	Gen. Svc. 201 - 999 kW	30	810	1,364,966	10.5095%	0.036	\$494,161
6	Large General Service >= 1,000 kW	48	187	2,708,614	19.2480%	0.033	\$905,046
7	Partial Req. Svc. >= 1,000 kW	47	7	143,112		0.033	\$47,819
8	Agricultural Pumping Service	41	7,950	233,276	1.8569%	0.037	\$87,310
9	Total Commercial & Industrial		97,245	7,585,195			\$2,712,888
Lighting							
10	Outdoor Area Lighting Service	15	6,424	9,366	0.0587%	0.029	\$2,761
11	Street Lighting Service	50	227	7,782	0.0403%	0.024	\$1,894
12	Street Lighting Service HPS	51	781	19,908	0.1622%	0.038	\$7,625
13	Street Lighting Service	52	35	401	0.0025%	0.029	\$117
14	Street Lighting Service	53	257	9,910	0.0263%	0.012	\$1,239
15	Recreational Field Lighting	54	107	1,464	0.0067%	0.022	\$316
16	Total Public Street Lighting		7,831	48,831			\$13,952
17	Employee Discount			16,436			(\$1,589)
18	Total		595,539	12,864,074			\$4,748,251

¹ From Docket UE 307

Attachment B

Estimated Effect of Proposed Price Change

Oregon Solar Incentive Program Deferral Supply Service Adjustment - Schedule 204

PACIFIC POWER
ESTIMATED EFFECT OF PROPOSED PRICE CHANGE
ON REVENUES FROM ELECTRIC SALES TO ULTIMATE CONSUMERS
DISTRIBUTED BY RATE SCHEDULES IN OREGON
FORECAST 12 MONTHS ENDED DECEMBER 31, 2017

Line No.	Description	Sch No.	No. of Cust	MWh	Present Revenues (\$000)			Proposed Revenues (\$000)			Change			Line No.
					Base Rates	Adders ¹	Net Rates	Base Rates	Adders ¹	Net Rates	Base Rates (\$000)	Net Rates (\$000)	% ²	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					(5) + (6)					(8) + (9)		(11)/(5)	(10) - (7)	(13)/(7)
Residential														
1	Residential	4	490,463	5,230,048	\$597,765	\$7,793	\$605,558	\$597,765	\$7,985	\$605,750	\$0	0.0%	\$192	0.03%
2	Total Residential		490,463	5,230,048	\$597,765	\$7,793	\$605,558	\$597,765	\$7,985	\$605,750	\$0	0.0%	\$192	0.03%
Commercial & Industrial														
3	Gen. Svc. < 31 kW	23	78,294	1,107,028	\$121,654	\$5,447	\$127,101	\$121,654	\$5,491	\$127,145	\$0	0.0%	\$44	0.03%
4	Gen. Svc. 31 - 200 kW	28	9,997	2,028,199	\$183,967	\$3,873	\$187,840	\$183,967	\$3,953	\$187,920	\$0	0.0%	\$80	0.04%
5	Gen. Svc. 201 - 999 kW	30	810	1,364,966	\$110,135	\$1,542	\$111,677	\$110,135	\$1,599	\$111,734	\$0	0.0%	\$57	0.05%
6	Large General Service >= 1,000 kW	48	187	2,708,614	\$193,506	(\$6,456)	\$187,050	\$193,506	(\$6,364)	\$187,142	\$0	0.0%	\$92	0.05%
7	Partial Req. Svc. >= 1,000 kW	47	7	143,112	\$12,104	(\$418)	\$11,686	\$12,104	(\$413)	\$11,691	\$0	0.0%	\$5	0.05%
8	Agricultural Pumping Service	41	7,950	233,276	\$26,924	(\$1,183)	\$25,741	\$26,924	(\$1,173)	\$25,751	\$0	0.0%	\$10	0.04%
9	Total Commercial & Industrial		97,245	7,585,195	\$648,290	\$2,805	\$651,095	\$648,290	\$3,094	\$651,384	\$0	0.0%	\$289	0.04%
Lighting														
10	Outdoor Area Lighting Service	15	6,424	9,366	\$1,203	\$227	\$1,430	\$1,203	\$228	\$1,431	\$0	0.0%	\$1	0.04%
11	Street Lighting Service	50	227	7,782	\$864	\$174	\$1,038	\$864	\$174	\$1,038	\$0	0.0%	\$0	0.02%
12	Street Lighting Service HPS	51	781	19,908	\$3,488	\$731	\$4,219	\$3,488	\$732	\$4,220	\$0	0.0%	\$1	0.02%
13	Street Lighting Service	52	35	401	\$52	\$9	\$61	\$52	\$9	\$61	\$0	0.0%	\$0	0.03%
14	Street Lighting Service	53	257	9,910	\$622	\$126	\$748	\$622	\$126	\$748	\$0	0.0%	\$0	0.02%
15	Recreational Field Lighting	54	107	1,464	\$121	\$23	\$144	\$121	\$23	\$144	\$0	0.0%	\$0	0.03%
16	Total Public Street Lighting		7,831	48,831	\$6,350	\$1,290	\$7,640	\$6,350	\$1,292	\$7,642	\$0	0.0%	\$2	0.02%
17	Total Sales before Emp. Disc. & AGA		595,539	12,864,074	\$1,252,405	\$11,888	\$1,264,293	\$1,252,405	\$12,371	\$1,264,776	\$0	0.0%	\$483	0.04%
18	Employee Discount				(\$464)	(\$3)	(\$467)	(\$464)	(\$3)	(\$467)	\$0	0.0%	(\$0)	0.00%
19	Total Sales with Emp. Disc		595,539	12,864,074	\$1,251,941	\$11,885	\$1,263,826	\$1,251,941	\$12,368	\$1,264,309	\$0	0.0%	\$483	0.04%
20	AGA Revenue				\$2,439	\$2,439	\$2,439	\$2,439	\$2,439	\$2,439	\$0	0.0%	\$0	0.00%
21	Total Sales		595,539	12,864,074	\$1,254,380	\$11,885	\$1,266,265	\$1,254,380	\$12,368	\$1,266,748	\$0	0.0%	\$483	0.04%

¹ Excludes effects of the Low Income Bill Payment Assistance Charge (Sch. 91), BPA Credit (Sch. 98), Klamath Dam Removal Surcharges (Sch. 199), Public Purpose Charge (Sch. 290) and Energy Conservation Charge (Sch. 297).

² Percentages shown for Schedules 48 and 47 reflect the combined rate change for both schedules