

May 10, 2023

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street SE, Suite 100  
Salem, OR 97301-3398

**Re: UM 1693(9)—PacifiCorp's Application for Reauthorization of Deferred Accounting of Net Power Cost Variances**

Enclosed for filing by PacifiCorp d/b/a Pacific Power is an Application for Reauthorization of Deferred Accounting of Net Power Cost Variances.

It is respectfully requested that all formal information requests regarding this filing be addressed to the following:

By email (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

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

Please direct any informal inquiries to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,



Matthew McVee  
Vice President, Regulatory Policy and Operations

Enclosures

Cc: Service List UE 399

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 1693(9)**

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Reauthorization of Deferred  
Accounting of Net Power Cost Variances.

**APPLICATION FOR  
REAUTHORIZATION OF DEFERRED  
ACCOUNTING**

**I. INTRODUCTION**

Under ORS 757.210, ORS 757.259, and OAR 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) requests an order reauthorizing PacifiCorp to defer for later ratemaking treatment annual net power cost variances under Schedule 206, as authorized by Order No. 12-493. Reauthorization of this deferral is necessary to facilitate rate changes under PacifiCorp’s power cost adjustment mechanism (PCAM) if variances in cost elements of the Company’s transition adjustment mechanism in 2023 exceed the deadbands and other limitations in Order No. 12-493.<sup>1</sup> Previously, Order No. 23-029 authorized deferral of these net power cost variances for the 12-month period beginning May 16, 2022.<sup>2</sup> In this application, PacifiCorp respectfully requests reauthorization for 12 months beginning May 16, 2023.

In support of this Application, PacifiCorp states:

**II. CONTACT INFORMATION**

Communications regarding this application should be addressed to:

---

<sup>1</sup> *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Case*, Docket No. UE 246, Order No. 12-493 (Dec. 20, 2012). (Order No. 12-493)

<sup>2</sup> *In the Matter of PacifiCorp, dba Pacific Power, Application for Reauthorization to Defer Costs Associated with Net Power Cost Variances*, Docket No. UM 1693(8), Order No. 23-029 (Feb. 8, 2023).

Oregon Dockets  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
[oregondockets@pacificorp.com](mailto:oregondockets@pacificorp.com)

Carla Scarsella  
Deputy General Counsel  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
[carla.scarsella@pacificorp.com](mailto:carla.scarsella@pacificorp.com)

In addition, PacifiCorp requests that all information requests regarding this application be sent to the following:

By email (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

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

Informal questions may be directed to Cathie Allen, Manager of Regulatory Affairs, at (503) 813-5934.

### **III. OAR 860-027-0300(3) REQUIREMENTS**

#### **A. Description of Utility Expense**

PacifiCorp seeks reauthorization from the Public Utility Commission of Oregon (Commission) to defer, for future amortization, the difference between actual annual net power costs and forecasted annual net power costs, in accordance with Order No. 12-493. The annual variance will be determined under the terms of Order No. 12-493, which includes a deadband, a sharing band, and an earnings test.

#### **B. Reasons for Deferral**

In Order No. 12-493, the Commission ordered the adoption of a PCAM for PacifiCorp. The PCAM provides for recognition in rates of the difference, for a given year, between the actual annual net power costs incurred by PacifiCorp and forecast annual net power costs, subject to certain limitations. PacifiCorp's PCAM became effective in 2013 with the filing of Schedule 206. PacifiCorp is seeking authorization to defer net power cost

variances in excess of the deadbands and other PCAM limitations for possible later inclusion in rates. This deferral is intended to capture the net annual power cost difference exceeding those limitations that will then be amortized in rates through the PCAM.

This deferral is filed in accordance with Order No. 12-493 and ORS 757.259(2)(e). This deferral will minimize the frequency of rate changes or the fluctuation of rate levels or match appropriately the costs borne by and benefits received by customers.

**C. Proposed Accounting**

PacifiCorp records revenues and expenses that would be subject to the deferral order in accordance with the Code of Federal Regulations (CFR) to Federal Energy Regulatory Commission (FERC) Account 501 (Fuel), FERC Account 503 (Steam from Other Sources), FERC Account 547 (Fuel), FERC Account 447 (Sales for Resale), FERC 456 (Other Electric Revenues), FERC 565 (Transmission by Others), FERC 409.1 (Income Taxes, Utility Operating Income), and FERC 555 (Purchased Power). Upon receiving reauthorization to record deferrals, PacifiCorp proposes to record the deferred amount by debiting FERC Account 182.3 (Regulatory Assets) and crediting FERC Account 555 (Purchased Power) if there is an amount to collect from customers. If there is a refund to customers, PacifiCorp would record the deferred amount by crediting FERC Account 254 (Regulatory Liabilities) and debiting FERC Account 555 (Purchased Power).

**D. Estimate of Amounts**

PacifiCorp is unable to provide an estimate of the deferred amount because it is a function of several unknown and unpredictable factors. PacifiCorp requests that, under

Order No. 08-263 as modified by Order No. 10-279,<sup>3</sup> it be allowed to accrue interest on the unamortized balance, consistent with the treatment of interest rates during accrual and amortization described in those orders.

**E. Notice**

A copy of the Notice of Application for Deferred Accounting and a list of persons served with the notice are included with this filing as Exhibit A.

**IV. OAR 860-027-0300(4) REQUIREMENTS**

**A. Description and explanation of the entries in the deferred account**

Please refer to Section III above for a description of the proposed accounting.

**B. Reason for Continuation of Deferred Accounting**

As discussed in this application, continuation of this deferral is necessary to defer the difference between actual annual net power costs and forecasted annual net power costs for future amortization.

**V. CONCLUSION**

Continued authorization of deferred accounting treatment is an appropriate, just, and reasonable means of implementing Order No. 12-493. For the reasons stated above, PacifiCorp requests reauthorization to defer annual net power cost variances in accordance with Order No. 12-493 for the 12-month period beginning May 16, 2023.

---

<sup>3</sup> *In the Matter of Public Utility Commission of Oregon Staff Request to Open an Investigation Related to Deferred Accounting*, Docket No. UM 1147, Order No. 08-263 (May 22, 2008); *modified by In the Matter of Public Utility Commission of Oregon Staff Request to Open an Investigation Related to Deferred Accounting*, Docket No. UM 1147, Order No. 10-279 (Jul. 23, 2010).

Respectfully submitted this 10<sup>th</sup> day of May, 2023.

By: *Carla Scarsella*  
Carla Scarsella  
Deputy General Counsel  
PacifiCorp d/b/a Pacific Power

# **Exhibit A**

**EXHIBIT A**

**NOTICE**

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 1693(9)**

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Reauthorization of Deferred  
Accounting of Net Power Cost Variances


**NOTICE OF  
APPLICATION FOR  
REAUTHORIZATION OF  
DEFERRED ACCOUNTING**

On May 10, 2023, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing PacifiCorp to defer for later ratemaking treatment annual net power cost variances under Schedule 206, as authorized by Order No. 12-493. PacifiCorp seeks reauthorization of this deferral to facilitate rate changes under its power cost adjustment mechanism if variances in cost elements of the Company's transition adjustment mechanism in 2023 exceed the deadbands and other limitations in Order No. 12-493. To obtain a copy the application, contact the following:

Oregon Dockets  
825 NE Multnomah, Suite 2000  
Portland, OR 97232  
Telephone: (503) 813-6642  
Email: [oregondockets@pacificorp.com](mailto:oregondockets@pacificorp.com)

Any person may submit to the Commission written comment on the Application, in accordance with the procedures prescribed by the Commission. The deadline for comments on the application is 25 days from the date of this application.

Respectfully submitted on May 10, 2023.

By:   
Carla Scarsella  
Deputy General Counsel  
PacifiCorp d/b/a Pacific Power



## CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of **PacifiCorp's Notice of Application for Reauthorization of Deferred Accounting of Net Power Cost Variances** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

### Service List UE 399

<b>PACIFICORP</b>	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 <a href="mailto:oregondockets@pacificorp.com">oregondockets@pacificorp.com</a>	KATHERINE A MCDOWELL MCDOWELL RACKNER & GIBSON PC 419 SW 11TH AVE., SUITE 400 PORTLAND, OR 97205 <a href="mailto:katherine@mrg-law.com">katherine@mrg-law.com</a>
CARLA SCARSELLA (C) PACIFICORP 825 NE MULTNOMAH ST STE 2000 PORTLAND, OR 97232 <a href="mailto:carla.scarsella@pacificorp.com">carla.scarsella@pacificorp.com</a>	
<b>STAFF</b>	
JILL D GOATCHER (C) PUC STAFF--DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM, OR 97301-4096 <a href="mailto:jill.d.goatcher@doj.state.or.us">jill.d.goatcher@doj.state.or.us</a>	MATTHEW MULDOON (C) PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM, OR 97308 <a href="mailto:matt.muldoon@state.or.us">matt.muldoon@state.or.us</a>
JOHANNA RIEMENSCHNEIDER (C) PUC STAFF - DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM, OR 97301-4796 <a href="mailto:johanna.riemenschneider@doj.state.or.us">johanna.riemenschneider@doj.state.or.us</a>	
<b>AWEC</b>	
BRENT COLEMAN (C) DAVISON VAN CLEVE, PC 1750 SW HARBOR WAY, SUITE 450 PORTLAND, OR 97201 <a href="mailto:blc@dvclaw.com">blc@dvclaw.com</a>	JESSE O GORSUCH (C) 1750 SW HARBOR WAY STE 450 PORTLAND, OR 97201 <a href="mailto:jog@dvclaw.com">jog@dvclaw.com</a>

<p>TYLER C PEPPLER (C)          DAVISON VAN CLEVE, PC          1750 SW HARBOR WAY STE 450          PORTLAND, OR 97201  <a href="mailto:tcp@dvclaw.com">tcp@dvclaw.com</a></p>	
<p><b>CALPINE SOLUTIONS</b></p>	
<p>GREGORY M. ADAMS (C)          RICHARDSON ADAMS, PLLC          PO BOX 7218          BOISE, ID 83702  <a href="mailto:greg@richardsonadams.com">greg@richardsonadams.com</a></p>	<p>GREG BASS          CALPINE ENERGY SOLUTIONS, LLC          401 WEST A ST, STE 500          SAN DIEGO, CA 92101  <a href="mailto:greg.bass@calpinesolutions.com">greg.bass@calpinesolutions.com</a></p>
<p>KEVIN HIGGINS (C)          ENERGY STRATEGIES LLC          215 STATE ST - STE 200          SALT LAKE CITY, UT 84111-2322  <a href="mailto:khiggins@energystrat.com">khiggins@energystrat.com</a></p>	
<p><b>CUB</b></p>	
<p>MICHAEL GOETZ (C)          OREGON CITIZENS' UTILITY BOARD          610 SW BROADWAY STE 400          PORTLAND, OR 97205  <a href="mailto:mike@oregoncub.org">mike@oregoncub.org</a></p>	<p>WILLIAM GEHRKE (C)          OREGON CITIZENS' UTILITY BOARD          610 SW BROADWAY, STE 400          PORTLAND, OR 97205  <a href="mailto:will@oregoncub.org">will@oregoncub.org</a></p>
<p>OREGON CITIZENS' UTILITY BOARD          610 SW BROADWAY, STE 400          PORTLAND OR 97205  <a href="mailto:dockets@oregoncub.org">dockets@oregoncub.org</a></p>	
<p><b>FRED MEYER</b></p>	
<p>JUSTIN BIEBER (C)          FRED MEYER/ENERGY STRATEGIES LLC          215 SOUTH STATE STREET, STE 200          SALT LAKE CITY, UT 84111  <a href="mailto:jbieber@energystrat.com">jbieber@energystrat.com</a></p>	<p>KURT J BOEHM (C)          BOEHM KURTZ &amp; LOWRY          36 E SEVENTH ST - STE 1510          CINCINNATI, OH 45202  <a href="mailto:kboehm@bkllawfirm.com">kboehm@bkllawfirm.com</a></p>
<p>JODY KYLER COHN (C)          BOEHM KURTZ &amp; LOWRY          36 E SEVENTH ST - STE 1510          CINCINNATI, OH 45202  <a href="mailto:jkylercohn@bkllawfirm.com">jkylercohn@bkllawfirm.com</a></p>	

<b>KWUA</b>	
LLOYD REED (C) REED CONSULTING 10025 HEATHERWOOD LANE HIGHLANDS RANCH, CO 80126 <a href="mailto:lloyd.reed@lloydreedconsulting.com">lloyd.reed@lloydreedconsulting.com</a>	CRYTAL RIVERA (C) SOMACH SIMMONS & DUNN 500 CAPITOL MALL STE 1000 SACRAMENTO, CA 95814 <a href="mailto:crivera@somachlaw.com">crivera@somachlaw.com</a>
<b>NEWSUN ENERGY</b>	
JACOB (JAKE) STEPHENS NEWSUN ENERGY 3500 S DUPONT HWY DOVER, DE 19901 <a href="mailto:jstephens@newsunenergy.net">jstephens@newsunenergy.net</a>	MAX YOKLIC NEW SUN ENERGY LLC 2033 E. SPEEDWAY BLVD, SUITE 200 TUCSON, AZ 85719 <a href="mailto:myoklic@newsunenergy.net">myoklic@newsunenergy.net</a>
MARIE P BARLOW NEWSUN ENERGY LLC 390 SW COLUMBIA ST STE 120 BEND OR 97702 <a href="mailto:mbarlow@newsunenergy.net">mbarlow@newsunenergy.net</a>	
<b>NIPPC</b>	
CARL FINK BLUE PLANET ENERGY LAW LLC 628 SW CHESTNUT ST, STE 200 PORTLAND, OR 97219 <a href="mailto:cmfink@blueplanetlaw.com">cmfink@blueplanetlaw.com</a>	SPENCER GRAY NIPPC <a href="mailto:sgray@nippc.org">sgray@nippc.org</a>
<b>OREGON FARM BUREAU</b>	
PAUL S SIMMONS (C) OREGON FARM BUREAU FEDERATION 550 CAPITOL MALL STE 1000 SACREAMENTO, CA 95814 <a href="mailto:psimmons@somachlaw.com">psimmons@somachlaw.com</a>	MARY ANNE COOPER (C) OREGON FARM BUREAU FEDERATION 1320 CAPITOL ST NE STE 200 SALEM, OR 97301 <a href="mailto:maryanne@oregonfb.org">maryanne@oregonfb.org</a>
<b>SBUA</b>	
GRANT HART (C) SMALL BUSINESS UTILITY ADVOCATES <a href="mailto:grant@utilityadvocates.org">grant@utilityadvocates.org</a>	DIANE HENKELS SMALL BUSINESS UTILITY ADVOCATES 621 SW MORRISON ST. STE 1025 PORTLAND, OR 97205 <a href="mailto:diane@utilityadvocates.org">diane@utilityadvocates.org</a>
WILLIAM STEELE (C) BILL STEELE AND ASSOCIATES, LLC PO BOX 631151 HIGHLANDS RANCH, CO 80164 <a href="mailto:w.steele1@icloud.com">w.steele1@icloud.com</a>	

<b>VITESSE</b>	
DENNIS BARTLETT META PLATFORMS, INC. 1 HACKER WAY MENLO PARK, CA 94025 <a href="mailto:dbart@fb.com">dbart@fb.com</a>	LIZ FERRELL META PLATFORMS, INC. 1 HACKER WAY MENLO PARK, CA 94025 <a href="mailto:eferrell@fb.com">eferrell@fb.com</a>
IRION A SANGER SANGER LAW PC 1041 SE 58TH PLACE PORTLAND, OR 97215 <a href="mailto:irion@sanger-law.com">irion@sanger-law.com</a>	
<b>WALMART</b>	
VICKI M BALDWIN (C) PARSONS BEHLE & LATIMER 201 S MAIN ST STE 1800 SALT LAKE CITY, UT 84111 <a href="mailto:vbaldwin@parsonsbehle.com">vbaldwin@parsonsbehle.com</a>	STEVE W CHRISS (C) WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE, AR 72716-0550 <a href="mailto:stephen.chriss@wal-mart.com">stephen.chriss@wal-mart.com</a>
ALEX KRONAUER (C) WALMART <a href="mailto:alex.kronauer@walmart.com">alex.kronauer@walmart.com</a>	

Dated this 10<sup>th</sup> day of May 2023.

  
 \_\_\_\_\_  
 Santiago Gutierrez  
 Coordinator, Regulatory Operations