

June 23, 2023

***VIA ELECTRONIC FILING***

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

**Re: UM 2159(2)—Application for Reauthorization of Deferred Accounting for Costs  
Related to Wildfire Risk Mitigation Measures and Vegetation Management**

PacifiCorp d/b/a Pacific Power (PacifiCorp) submits for filing its Application for Reauthorization of Deferred Accounting for Costs Related to Wildfire Risk Mitigation Measures and Vegetation Management.

PacifiCorp respectfully requests that all communications related to this filing be addressed to:

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

Ajay Kumar, OSB #183903  
Assistant General Counsel  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
[ajay.kumar@pacificorp.com](mailto:ajay.kumar@pacificorp.com)

Additionally, PacifiCorp requests that all formal information requests regarding this matter be addressed to:

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

Sincerely,



Matthew McVee  
Vice President, Regulatory Policy and Operations

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 2159(2)**

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Deferred Accounting for Costs  
Related to Wildfire Risk Mitigation Measures and  
Vegetation Management

**APPLICATION FOR  
REAUTHORIZATION OF  
DEFERRED ACCOUNTING**

**I. INTRODUCTION**

In accordance with Oregon Revised Statutes (ORS) 757.259 and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) applies to the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferral of the difference between the amount authorized in base rates for non-wildfire mitigation vegetation management operations and maintenance (O&M) and the actual costs incurred as part of its ongoing vegetation management program (Deferred Amount). PacifiCorp will seek amortization of the Deferred Amount in a future commission proceeding through the Wildfire Mitigation and Vegetation Management Cost Recovery Mechanism (WMVM).<sup>1</sup> The wildfire mitigation costs associated with PacifiCorp's Wildfire Mitigation Plan (WMP) are deferred under a separate deferral application in docket UM 2221.

**II. CONTACT INFORMATION**

Communications regarding this application should be addressed to:

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<sup>1</sup> In Docket No. UE 374, Order No. 20-473, the Commission authorized the Wildfire Mitigation and Vegetation Management Cost Recovery Mechanism. The first filing was made on May 5, 2022.

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

Ajay Kumar  
Assistant General Counsel  
PacifiCorp  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
Email: [ajay.kumar@pacificorp.com](mailto:ajay.kumar@pacificorp.com)

In addition, the Company requests that all data 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) AND (4) REQUIREMENTS**

As required by OAR 860-027-0300(3) and (4), PacifiCorp provides the following:

#### **A. Background Description**

On May 14, 2019, in docket UM 2013 PacifiCorp submitted an *Application for Deferred Accounting Related to Wildfire Risk Mitigation Measures*. On May 14, 2020, PacifiCorp submitted an application for reauthorization of deferred accounting in docket UM 2013(1). The costs described in those applications included inspection and correction of found fire-threat conditions, advanced system hardening and resiliency, expanded automation and protection, improved wildfire detection, enhanced event response capacity, vegetation management activities, along with other costs to mitigate the risk of wildfires.

In docket UE 374, Order No. 20-473, the Commission authorized the WMVM for a period of three years. The Order authorized \$30 million in wildfire mitigation and vegetation management O&M expense in base rates. The WMVM provides an opportunity to recover

additional wildfire mitigation and vegetation management O&M spend beyond what is included in base rates subject to performance metrics and an earnings test for a period of three years. In docket UE 399, Order No. 22-491, the Commission approved the First Partial Stipulation which modified the design of the WMVM and authorized \$50 million in non-wildfire mitigation vegetation management O&M expense in base rates beginning January 1, 2023.

PacifiCorp's second filing using the Commission-authorized WMVM was made on May 5, 2023.<sup>2</sup> In this application, PacifiCorp requests reauthorization to continue deferral of the difference between the \$50 million included in base rates and actual wildfire mitigation costs not included in the Company's WMP<sup>3</sup> and vegetation management O&M costs incurred as part of the Company's ongoing vegetation management program for the 12-month period beginning June 23, 2023.

**B. Reasons for Deferral**

As discussed above, PacifiCorp requests reauthorization to defer the incremental costs associated with wildfire risk mitigation and vegetation management. These amounts will not include costs deferred in UM 2221 for the 2023 WMP. ORS 757.259(2)(e) allows the deferral of identifiable utility expenses in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne and benefits received by customers.

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<sup>2</sup> PacifiCorp's Advice No. 23-011, Schedule 94.

<sup>3</sup> This deferral will not include costs in the Company's WMP filed in docket UM 2207. Costs associated with the WMP are deferred under a separate deferral application in docket UM 2221.

**C. Estimated 2023 Costs**

In Order No. 22-491, the Commission authorized \$50 million in base rates related to non-wildfire mitigation vegetation management O&M. For 2023, the non-wildfire related vegetation management O&M costs are expected to be approximately \$52 million, or about \$2 million more than is currently authorized in base rates. Any amount above or below \$50 million will be deferred for 2023 if reauthorization is approved. As previously discussed, the wildfire mitigation costs associated with PacifiCorp's WMP are deferred under a separate deferral application in docket UM 2221.

**D. Proposed Accounting**

If this application is approved, PacifiCorp will record Deferred Amounts by debiting Federal Energy Regulatory Commission (FERC) Account 182.3-Other Regulatory Assets and crediting the incremental operations and maintenance expense to various FERC Accounts including primarily 593.0 Maintenance Overhead Lines (distribution) and 571.0-Maintenance Overhead Lines (transmission). If this application is denied, the costs will remain in the various FERC Accounts.

**E. Notice**

A copy of the Notice of Application is included as Exhibit A. This notice will be served to the service list in docket UE 399.

**F. Description and Explanation of Entries in the Deferred Account to Date**

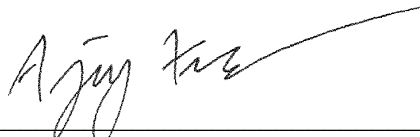
On May 5, 2023, PacifiCorp filed for cost recovery of the Deferred Amounts from 2022 of \$25.7 million through the WMVM. As of May 31, 2023, the Company has not exceeded the \$50 million included in base rates, and therefore has not deferred any 2023 amounts as of that date.

#### IV. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission authorize the Company to defer the costs described in this application for the 12-month period beginning June 23, 2023. Recovery of the deferred fire risk mitigation costs and vegetation management costs may be authorized for recovery through a subsequent application using the WMVM authorized by the Commission in Order No. 20-473 and further updated in Order No. 22-491.

Respectfully submitted this 23<sup>rd</sup> day of June, 2023.

By:

  
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Ajay Kumar  
Assistant General Counsel  
PacifiCorp d/b/a Pacific Power

## **Exhibit A**

### Notice of Application

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 2159(2)**

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Deferred Accounting for Costs  
Related to Wildfire Risk Mitigation Measures  
and Vegetation Management

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

On June 23, 2023, PacifiCorp d/b/a Pacific Power (PacifiCorp) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferral of the difference between the amount authorized in base rates for non-wildfire mitigation vegetation management operations and maintenance and the actual costs incurred as part of its ongoing vegetation management program for the 12-month period beginning June 23, 2023. The wildfire prevention costs associated with PacifiCorp's Wildfire Mitigation Plan are deferred under a separate deferral application in docket UM 2221. The granting of this application will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding. To obtain a copy of the application, contact the following:


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

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.



Respectfully submitted on June 23, 2023.

By:



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Ajay Kumar  
Assistant 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** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

### Service List UE 399

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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>
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<p>TYLER C PEPPLE (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>	
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<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>
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ALEX KRONAUER (C) WALMART <a href="mailto:alex.kronauer@walmart.com">alex.kronauer@walmart.com</a>	

Dated this 23<sup>rd</sup> day of June 2023.

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