

June 16, 2022

VIA ELECTRONIC FILINGPublic Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398**Re: Advice Filing 22-008**
Schedule 7 – Low-Income Discount
Schedule 90 – Summary of Effective Rate Adjustments
Schedule 92 – Low-Income Discount Cost Recovery Mechanism

In accordance with Oregon Revised Statute (ORS) 757.205, ORS 757.210, and Oregon Administrative Rule (OAR) 860-022-0025 and -0030, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) submits for filing its proposed tariff sheet 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. This filing proposes two new tariffs, Schedule 7 – Low-Income Discount implementing a residential low-income bill discount for qualifying customers and Schedule 92 – Low-Income Discount Cost Recovery Adjustment establishing the cost recovery mechanism for the new low-income discount along with a balancing account, and automatic adjustment clause. PacifiCorp respectfully requests an effective date of August 1, 2022.

Sheet No.	Tariff	Title
Twenty-Eighth Revision of Sheet No. INDEX-3	Tariff Index	Table of Contents - Schedules
Eleventh Revision of Sheet No. INDEX-4	Tariff Index	Table of Contents - Schedules
Twenty-Eighth Revision of Sheet No. 90	Schedule 90	Summary of Effective Rate Adjustments
Original Sheet No. 7.1	Schedule 7	Low-Income Discount
Original Sheet No. 7.2	Schedule 7	Low-Income Discount
Original Sheet No. 92	Schedule 92	Low-Income Discount Cost Recovery Adjustment

This advice letter filing requests authorization to implement PacifiCorp's interim low-income bill discount to residential customers consistent with House Bill 2475 (HB 2475). PacifiCorp's proposed low-income discount is an interim program to help reduce energy burden for customers experiencing lower than average income. The Company will continue to work with Commission Staff, advocates, utilities, and other stakeholders to inform on a more permanent program.

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On March 28, 2022, the Company filed Advice No. 22-004 (ADV 1383) proposing to cancel Schedule 105, Irrigation Load Control Program Pilot, and add a new Schedule 106, Demand Response Programs. Advice No. 22-004 was approved by the Oregon Public Utility Commission (Commission) on May 5, 2022. PacifiCorp includes in this advice filing a housekeeping change to remove Schedule 105 from and to add Schedule 106 to the Tariff Index.

Background

On September 25, 2021, HB 2475 was enrolled into state law and took effect January 1, 2022, expanding ORS 757.230 and giving the Commission new authority in the classification or schedule of rates applicable to individual customers or groups of customers to consider differential energy burdens on low-income customers.

PacifiCorp's proposed interim program was developed by the Company based upon its experience operating residential low-income bill discount programs in three other states and was informed by on-going engagement with stakeholders.

On January 8, 2022, PacifiCorp filed an application to defer the costs and revenues associated with House Bill 2475.¹ In that filing PacifiCorp committed to make a subsequent filing in 2022 for approval of a rate schedule and automatic adjustment clause to begin recovery of these costs. The Commission approved the application at the public meeting on March 22, 2022, and required a separate application to track administrative costs going forward. On March 29, 2022, PacifiCorp filed a separate application to defer the administrative costs associated with House Bill 2475.² The Commission approved the application at the public meeting on May 31, 2022.

Proposed Low-Income Discount

PacifiCorp's proposed interim low-income program is designed to be easily understood and quickly implemented, while having a meaningful impact on energy burden for low-income residential customers.

PacifiCorp's proposed low-income discount provides a twenty-five percent discount to residential customers when gross household income is at or below 60 percent of Oregon State Median Income (SMI), adjusted for household size. In line with stakeholder feedback, the Company extends the threshold for household of one to \$30,700 to allow the greater of 60 percent SMI or what an individual would make per year on the City of Portland's minimum wage.

To help maximize participation in PacifiCorp's low-income discount rate the Company will be auto-enrolling customers who have received assistance from the Low-Income Home Energy Assistance Program or the Oregon Energy Assistance Program in the prior year and will allow customers to self-attest to their income and household size. PacifiCorp anticipates program

¹ UM 2223 PacifiCorp's Application for Approval of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act.

² UM 2238 PacifiCorp's Application for Approval of Deferred Accounting for Administrative Costs Associated with House Bill 2475 Energy Affordability Act.

participation to be approximately 15 percent of eligible customers in the first year. Further, PacifiCorp plans to start the interim program with no post-enrollment certification. PacifiCorp believes auto-enrollment, self-attestation, and no post-enrollment verification will remove barriers for customers in applying and remaining on the Company's low-income discount rate. In its proposed Schedule 7 tariff, the Company reserves the right to perform post enrollment verification, either randomly or for customers with excessive (greater than four times the average) energy usage.

Based upon analysis that it performed on its 2019 Residential Customer Email Survey, the Company estimates that its proposed interim residential low-income bill discount program could potentially lower the number of energy burdened customers who spend more than six percent of their income on electricity by 44 percent. The Company views this bill discount as a significant and meaningful tool to reduce energy burden for its most vulnerable customers.

Reporting

As part of this advice filing, the Company commits to track and report information regarding the low-income discount with the Commission on a quarterly basis for the first calendar year and annually thereafter. The report will include, at a minimum, the total number of customers enrolled in the program, total dollars provided to customers, and dollars spent on administrative costs. The Company plans to conduct a short demographic survey close to the time of enrollment to understand how its efforts to reach different communities are working. It also plans to conduct a more comprehensive survey annually. The Company will share any key finding from these surveys in its reports.

Cost Recovery

The Year 1 bill discount budget forecast for the bill discount is approximately \$5.3 million, based on a projected participation level of 15 percent. Annual administrative costs are budgeted at \$215,000 and will be tracked separately in a deferral account and are not included in the \$5.3 million cost recovery in Schedule 92 proposed at this time. The low-income bill assistance balancing account will track the ongoing difference between the low-income discounts provided to customers under Schedule 7 and the amount recovered through Schedule 92 the Low-Income Cost Recovery Adjustment. The amount recovered through Schedule 92 will be updated as needed through the automatic adjustment clause based on an analysis of the amount in the balancing account and the projected low-income discounts provided to customers.

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

Attachment 1: Proposed Cost Recovery Adjustment Rate Calculation

Attachment 2: Estimated Effect of Proposed Price Change

PacifiCorp estimates that approximately 646,000 customers will be impacted by the proposed cost recovery adjustment rate. The overall average rate increase is 0.4 percent. A residential customer will see a bill increase of \$0.35 per month. Low-income residential customers who are

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enrolled in the Low-Income Discount program will see a monthly bill decrease of 25 percent. This discount is not reflected in the rate impact table provided.

The Company requests that all formal information requests regarding this advice filing be addressed to:

By email (preferred): datarequest@pacificorp.com
By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

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

Sincerely,



Shelley McCoy
Director, Regulation

Enclosures

Proposed Tariff

Schedule No.

SUPPLY SERVICE	
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
218	Interruptible Service Pilot
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
ADJUSTMENTS	
90	Summary of Effective Rate Adjustments
91	Low Income Bill Payment Assistance Fund
92	Low Income Discount Cost Recovery Adjustment (N)
93	Independent Evaluator Cost Adjustment
94	Wildfire Mitigation and Vegetation Management Cost Recovery Adjustment
96	Property Sales Balancing Account Adjustment
97	Intervenor Funding Adjustment Cost Recovery 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
104	Oregon Corporate Activity Tax Recovery Adjustment
194	Replaced Meter Deferred Amounts Adjustment
195	Federal Tax Act Adjustment
198	Deer Creek Mine Closure Deferred Amounts Adjustment
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
207	Community Solar Start-Up Cost Recovery Adjustment
270	Renewable Energy Rider – Optional
271	Energy Profiler Online – Optional
272	Renewable Energy Rider – Optional Bulk Purchase Option
290	Public Purpose Charge
291	System Benefits Charge
294	Transition Adjustment
295	Transition Adjustment – Three-Year Cost of Service Opt-Out
296	Transition Adjustment – Five-Year Cost of Service Opt-Out
299	Rate Mitigation Adjustment

Schedule No.

OTHER		
7	Low-Income Discount	(N)
8	EEAST On-Bill Repayment Program	
9	Residential Energy Efficiency Rider – Optional Weatherization Services – No New Service	
10	Voluntary On-Bill Repayment Program	
60	Company Operated Electric Vehicle Charging Station Service	
73	Large Customer Curtailment Option	(N)
106	Demand Response Programs	
115	Commercial and Industrial Energy Efficiency Retrofit Incentives – 20,000 Square Feet or Less– No New Service	
116	Commercial and Industrial Energy Efficiency Retrofit Incentives– No New Service	
117	Transportation Electrification Residential Charging Pilot	
118	Transportation Electrification Nonresidential Charging Pilot	
125	Commercial and Industrial Energy Services– No New Service	
126	Community Solar Program Interconnection and Power Purchase	
135	Net Metering Service – Optional for Qualifying Consumers	
136	Net Metering Option Volumetric Incentive Rate Pilot – Optional for Qualifying Customers	
137	Competitive Bid Option Volumetric Incentive Rate Pilot – Optional for Qualifying Customers	
293	New Large Load Direct Access Program – Cost Of Service Opt-Out	
300	Charges as Defined by the Rules and Regulations	
400	Special Contracts	
600	ESS Charges	

LOW-INCOME DISCOUNT
Purpose

The purpose of this Schedule is to implement the Low-Income Discount for income qualified Residential Customers.

This discount is enabled by House Bill 2475 (2021 regular sessions), which allows for differentiated rates for “low-income customers and other economic, social equity, or environmental justice factors that affect affordability for certain classes of utility customers.”

Available

To Residential Customers served by the Company within its service territory.

Applicable

To income-qualified Residential Customers, as defined below, who have been identified and placed onto this discounted rate.

Monthly Billing

Income-qualified Residential Customers will receive a monthly bill discount equal to 25% of the Residential Service Schedule charges for that Customer (Schedule 4, 5, or 6). The monthly bill discount will be applied prior to taxes and will not apply to Schedule 300 charges.

Eligibility

Residential Customers will be eligible for this rate if they meet the following income qualifications: gross household income at or below 60% of Oregon State Median Income (SMI), adjusted for household size. For Customers in single-person households, eligibility is extended to those with gross household incomes up to the greater of 60% SMI or \$30,700.

These income limits are effective for the calendar year 2022:

No. of Persons in Household	Total Gross Income Annually
1	\$30,700
2	\$38,373
3	\$47,402
4	\$56,430
5	\$65,459
6	\$74,488
7	\$76,181
8	\$77,874
9	\$79,567
10	\$81,260
11	\$82,953
12	\$84,645
13+	+\$1,692 per person

(continued)

Special Conditions

1. Customers receiving Low Income Home Energy Assistance Program (LIHEAP) or Oregon Energy Assistance Program (OEAP) funds automatically qualify for the bill discount. Customers may also qualify for the bill discount by submitting an application self-declaring household size and income.
2. Household size reflects all permanent residents in the home, including adults and children.
3. Qualifying income refers to total gross annual income from all sources based on the number of persons in the household. Total gross income shall include income from all sources, both taxable and nontaxable.
4. The discount applies only to bills associated with the Customer's permanent primary residence and only to new charges billed after enrollment. Eligible Customers will receive the bill discount within one billing cycle of the receipt of application or receipt of LIHEAP/OEAP funds.
5. Re-enrollment will be required every two years. Customers receiving LIHEAP/OEAP will automatically be re-enrolled for two years following receipt of LIHEAP/OEAP funds.
6. The Company may randomly select enrolled Customers to provide post-enrollment verification to continue receiving this discount.
7. The Company may require post-enrollment verification from customers with excessive usage (greater than four times average residential customer usage) for them to continue receiving the discount.
8. It is the Customer's responsibility to notify the utility if there is a change in eligibility status.

Reporting

The Company will track and report information regarding the low-income discount with the Commission on a quarterly basis for the first calendar year and annually thereafter. The report will include, at a minimum, the total number of Customers enrolled in the program, total dollars provided to customers, and dollars spent on administrative costs.

Rates and Regulations

Service under this schedule is subject to the General Rules and Regulations contained in the tariff of which this schedule is a part and to those prescribed by regulatory authorities.

SUMMARY OF EFFECTIVE RATE ADJUSTMENTS

The following summarizes the applicability of the Company's adjustment schedules

SUMMARY OF EFFECTIVE RATE ADJUSTMENTS

Schedule	91	92	93	94	96	97	98*	104	194	195	198	202*	203*	204
4	x	x	x	x	x	x	x	x	x	x	x	x	x	x
5	x	x	x	x	x	x	x	x	x	x	x	x	x	x
15	x	x	x	x	x		x	x	x	x	x	x	x	x
23	x	x	x	x	x		x	x	x	x	x	x	x	x
28	x	x	x	x	x		x	x	x	x	x	x	x	x
30	x	x	x	x	x		x	x	x	x	x	x	x	x
41	x	x	x	x	x	x	x	x	x	x	x	x	x	x
47	x	x	x	x	x	x	x	x	x	x	x	x	x	x
48	x	x	x	x	x	x	x	x	x	x	x	x	x	x
51	x	x	x	x	x			x	x	x	x	x	x	x
53	x	x	x	x	x			x	x	x	x	x	x	x
54	x	x	x	x	x			x	x	x	x	x	x	x
60														
723	x	x	x	x	x		x	x	x	x	x	x	x	x
728	x	x	x	x	x		x	x	x	x	x	x	x	x
730	x	x	x	x	x		x	x	x	x	x	x	x	x
741	x	x	x	x	x	x	x	x	x	x	x	x	x	x
747	x	x	x	x	x	x	x	x	x	x	x	x	x	x
748	x	x	x	x	x	x	x	x	x	x	x	x	x	x
751	x	x	x	x	x			x	x	x	x	x	x	x
753	x	x	x	x	x			x	x	x	x	x	x	x
754	x	x	x	x	x			x	x	x	x	x	x	x
848	x	x		x				x						

 (N)
 (N)

*Not applicable to all consumers. See Schedule for details.

LOW-INCOME DISCOUNT COST RECOVERY ADJUSTMENT

Purpose

The purpose of this Schedule is to collect funds for the electric low-income discount as specified in Schedule 7. This discount is enabled by House Bill 2475 (2021 regular sessions), which allows for differentiated rates for “low-income customers and other economic, social equity, or environmental justice factors that affect affordability for certain classes of utility customers.” This adjustment schedule is implemented as an automatic adjustment clause as provided for in ORS 757.210.

Applicable

To all bills for electric service calculated under all tariffs and contracts.

Adjustment Rates

The applicable Adjustment Rates are listed below.

Schedule	Adjustment Rate
Residential Rate Schedules (4, 5, 6)	\$0.35 per month
Nonresidential Rate Schedules	0.035 cents per kWh

Attachment 1

Proposed Cost Recovery Adjustment Rate Calculation

Pacific Power
 State of Oregon
 Proposed Residential Low-Income Discount Cost Recovery Adjustment - Schedule 92

Initial annual cost estimate to be recovered \$ 5,270,189

Customer Class	Rate	Proposed Schedule 92 Revenue
Residential	\$0.35 per month	\$ 2,246,234
Non Residential*	0.035 ¢ per kWh	\$ 2,998,991
Total		\$ 5,245,225

*Non-bypassable rate applicable to direct access and distribution only customers.

Attachment 2

Estimated Effect of Proposed Price Change

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, 2023

Line No.	Description	Pre Sch No.	Pro 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)	% ²	Net Rates (\$000)	% ²				
						(8) + (7)			(9) + (10)			(12) - (6)		(13) / (6)		(14) - (8)		(15) / (8)	
Residential																			
1	Residential	4	4	535,059	5,633,856	\$597,063	\$9,738	\$606,801	\$597,063	\$11,985	\$609,048	\$0	0.0%	\$2,247	0.4%	1			
2	Total Residential			535,059	5,633,856	\$597,063	\$9,738	\$606,801	\$597,063	\$11,985	\$609,048	\$0	0.0%	\$2,247	0.4%	2			
Commercial & Industrial																			
3	Gen. Svc. < 31 kW	23	23	84,329	1,137,011	\$124,438	\$1,015	\$125,453	\$124,438	\$1,413	\$125,851	\$0	0.0%	\$398	0.3%	3			
4	Gen. Svc. 31 - 200 kW	28	28	10,462	1,992,271	\$163,732	\$9,197	\$172,929	\$163,732	\$9,894	\$173,626	\$0	0.0%	\$697	0.4%	4			
5	Gen. Svc. 201 - 999 kW	30	30	797	1,281,581	\$94,197	\$4,696	\$98,893	\$94,197	\$5,145	\$99,341	\$0	0.0%	\$449	0.5%	5			
6	Large General Service >= 1,000 kW	48	48	190	3,555,464	\$224,400	(\$15,394)	\$209,007	\$224,400	(\$14,149)	\$210,251	\$0	0.0%	\$1,244	0.6%	6			
7	Partial Req. Svc. >= 1,000 kW	47	47	6	29,109	\$3,974	(\$120)	\$3,854	\$3,974	(\$110)	\$3,864	\$0	0.0%	\$10	0.6%	7			
8	Dist. Only Lg Gen Svc >= 1,000 kW	848	848	1	0	\$1,805	\$10	\$1,815	\$1,805	\$110	\$1,915	\$0	0.0%	\$100	5.5%	8			
9	Agricultural Pumping Service	41	41	7,997	263,565	\$29,194	(\$3,645)	\$25,549	\$29,194	(\$3,553)	\$25,641	\$0	0.0%	\$92	0.4%	9			
10	Total Commercial & Industrial			103,782	8,259,000	\$641,740	(\$4,241)	\$637,499	\$641,740	(\$1,250)	\$640,490	\$0	0.0%	\$2,991	0.5%	10			
Lighting																			
11	Outdoor Area Lighting Service	15	15	5,809	8,260	\$915	\$74	\$989	\$915	\$75	\$990	\$0	0.0%	\$1	0.1%	11			
12	Street Lighting Service Comp. Owned	51	51	1,108	23,893	\$3,498	\$387	\$3,885	\$3,498	\$390	\$3,888	\$0	0.0%	\$3	0.1%	12			
13	Street Lighting Service Cust. Owned	53	53	314	11,452	\$657	\$210	\$867	\$657	\$214	\$871	\$0	0.0%	\$4	0.5%	13			
14	Recreational Field Lighting	54	54	102	1,141	\$82	\$27	\$108	\$82	\$27	\$109	\$0	0.0%	\$0	0.4%	14			
15	Total Public Street Lighting			7,333	44,746	\$5,151	\$698	\$5,849	\$5,151	\$706	\$5,857	\$0	0.0%	\$8	0.1%	15			
16	Subtotal			646,174	13,937,602	\$1,243,954	\$6,196	\$1,250,150	\$1,243,954	\$11,442	\$1,255,396	\$0	0.0%	\$5,246	0.4%	16			
17	Employee Discount			966	13,030	(\$341)	(\$6)	(\$346)	(\$341)	(\$7)	(\$347)	\$0		(\$1)		17			
18	AGA Revenue					\$3,521		\$3,521	\$3,521		\$3,521	\$0		\$0		18			
19	COOC Amortization					\$1,767		\$1,767	\$1,767		\$1,767	\$0		\$0		19			
20	Total Sales with AGA			646,174	13,937,602	\$1,248,901	\$6,190	\$1,255,091	\$1,248,901	\$11,435	\$1,260,336	\$0	0.0%	\$5,245	0.4%	20			

¹ Excludes effects of the Low Income Bill Payment Assistance Charge (Sch. 91), BPA Credit (Sch. 98), Public Purpose Charge (Sch. 290) and System Benefits Charge (Sch. 291).

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