

October 6, 2023

VIA ELECTRONIC FILING

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

Re: UE 421—Stipulation and Joint Testimony

PacifiCorp d/b/a Pacific Power (PacifiCorp) encloses for filing in this docket the following documents:

- The Stipulation between PacifiCorp, Staff of the Public Utility Commission of Oregon, the Oregon Citizens' Utility Board, the Alliance of Western Energy Consumers, and Vitesse, LLC; and
- Joint Testimony in Support of the Stipulation.

If you have questions about this filing, please contact Cathie Allen at (503) 813-5934.

Sincerely,



Matthew McVee
Vice President, Regulatory Policy and Operations

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 421

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

2022 Power Cost Adjustment Mechanism

STIPULATION

INTRODUCTION

1. PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company), Public Utility Commission of Oregon (Commission) Staff, the Oregon Citizens’ Utility Board (CUB), the Alliance of Western Energy Consumers (AWEC), and Vitesse, LLC (Vitesse) (collectively the “Stipulating Parties”) enter into this Stipulation to resolve all issues in docket UE 421, PacifiCorp’s 2022 Power Cost Adjustment Mechanism (PCAM). No other party has intervened in this proceeding.

BACKGROUND

2. The Commission approved PacifiCorp’s PCAM in Order No. 12-493 in docket UE 246. The PCAM allows the recovery or refund of the difference between actual costs incurred to serve customers and the rates established in PacifiCorp’s annual transition adjustment mechanism (TAM) filing. The amount recovered from or refunded to customers for a given year is subject to the following parameters:

- Asymmetrical Deadband – Any net power cost (NPC) difference between negative \$15 million and positive \$30 million is absorbed by the Company.
- Sharing Mechanism – Any NPC difference above or below the deadband is shared 90 percent by customers and 10 percent by the Company.

- Earnings Test – If the Company’s earned return on equity (ROE) is within plus or minus 100 basis points of the allowed ROE, there is no recovery from or refund to customers.
- Amortization Cap – The amortization of deferred amounts are capped at six percent of the revenue for the preceding calendar year.¹

3. On May 12, 2023, PacifiCorp filed its PCAM for calendar year 2022.

Attachment A to this Stipulation is a summary of the Company’s PCAM calculation. On an Oregon-allocated basis, actual PCAM costs exceeded base PCAM costs established in the 2022 TAM (docket UE 390) by approximately \$163.3 million.² The application of the deadband, sharing band, and earnings test results in a recovery of \$131,090,311³ through the 2022 PCAM.

4. The Stipulating Parties held a settlement conference on September 15. After settlement communications, the Stipulating Parties have reached an agreement on all issues in docket UE 421.

5. Attachment B contains the proposed rate spread and customer impacts of the settlement that has been reached among the Stipulating Parties.

AGREEMENT

6. The Stipulating Parties agree that PacifiCorp will recover the \$131,090,311 through the PCAM as quantified in PacifiCorp’s initial filing.

7. The Stipulating Parties agree that the \$131,090,311 PCAM balance will be amortized over a two-year period. PacifiCorp agrees that if the combined January 1, 2024 rate

¹ *In the Matter of PacifiCorp d/b/a Pacific Power’s Request for a General Rate Revision*, Docket No. UE 246, Order No. 12-493 at 15 (Dec. 20, 2012).

² *In the Matter of PacifiCorp d/b/a Pacific Power, 2022 Power Cost Adjustment Mechanism*, Docket No. UE 421, Direct Testimony of Jack Painter at 4 (May 12, 2023).

³ *Id.*

increase for residential customers from the 2024 TAM, 2022 PCAM, the Renewable Adjustment Clause rate change, and any other rate change exceeds 15 percent, PacifiCorp will seek to delay the rate effective date of revised Schedule 206, the PCAM tariff, as applicable to residential customers, until April 1, 2024, to keep the January 1, 2024 rate increase to residential customers below 15 percent. The interest rate that will be recovered on this balance as it is amortized through customer rates will be the Commission's modified blended exception rate plus 100 basis points (as calculated in January of 2024).

8. After filing the 2023 PCAM, PacifiCorp agrees to hold a technical workshop to discuss 2023 actual Net Power Costs and the events that occurred in 2023 that impacted PacifiCorp's actual NPC.

9. The Stipulating Parties agree that this term sheet represents a compromise among competing interests and a resolution of all contested issues in this proceeding. Any adjustment to PacifiCorp's Initial Filing not incorporated into this term sheet directly or by reference would be resolved without an adjustment or recommendation for the purposes of this proceeding.

10. The Stipulating Parties agree to submit this Stipulation to the Commission and request that the Commission approve the Stipulation as presented. The Stipulating Parties agree that this Stipulation will result in rates that meet the standard in ORS 756.040.

11. The Stipulating Parties agree to make best efforts to provide each other any and all news releases that any Party intends to make about the Stipulation two business days in advance of publication. This provision is not binding on the Commission itself.

12. This Stipulation will be offered in the record as evidence under OAR 860-001-0350(7). The Stipulating Parties agree to support this Stipulation throughout this proceeding and

any appeal, provide witnesses to sponsor the Stipulation at hearing, if required, and recommend that the Commission issue an order adopting the Stipulation.

13. The Stipulating Parties have negotiated this Stipulation as an integrated document. If the Commission rejects all or any material part of this Stipulation or adds any material condition to any final order that is not consistent with this Stipulation, each Stipulating Party reserves its right, pursuant to OAR 860-001-0350(9), to present evidence and argument on the record in support of the Stipulation or to withdraw from the Stipulation. The Stipulating Parties agree that in the event the Commission rejects all or any material part of this Stipulation or adds any material condition to any final order that is not consistent with this Stipulation, the Parties will meet in good faith within fifteen days and discuss next steps. A Stipulating Party may withdraw from the Stipulation after this meeting by providing written notice to the Commission and other Parties. Parties shall be entitled to seek rehearing or reconsideration pursuant to OAR 860-001-0720 in any manner that is consistent with the agreement embodied in this Stipulation.

14. By entering into this Stipulation, no Stipulating Party approves, admits, or consents to the facts, principles, methods, or theories employed by any other Stipulating Party.

15. This Stipulation is not enforceable by any Stipulating Party unless and until adopted by the Commission in a final order. Each signatory to this Stipulation avers that they are signing this Stipulation in good faith and that they intend to abide by the terms of this Stipulation unless and until the Stipulation is rejected or adopted only in part by the Commission. The Stipulating Parties agree that the Commission has exclusive jurisdiction to enforce or modify the Stipulation. If the Commission rejects or modifies this Stipulation, the Stipulating Parties

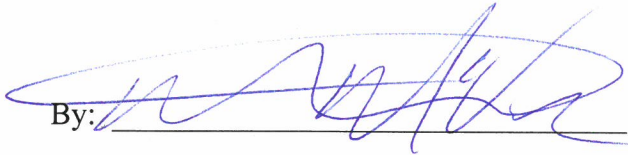
reserve the right to seek reconsideration or rehearing of the Commission order under ORS 756.561 and OAR 860-001-0720 or to appeal the Commission order under ORS 756.610.

16. This Stipulation may be executed in counterparts and each signed counterpart constitutes an original document. The Stipulating Parties further agree that any electronically-generated signature of a Stipulating Party is valid and binding to the same extent as an original signature.

This Stipulation is entered into by each Settling Party on the date entered below such Stipulating Party's signature.

PACIFICORP

STAFF of the PUBLIC UTILITY
COMMISSION OF OREGON

By: 

By: _____

Date: October 5, 2023

Date: _____

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN ENERGY
CONSUMERS

By: _____

By: _____

Date: _____

Date: _____

VITESSE, LLC

By: _____

Date: _____

reserve the right to seek reconsideration or rehearing of the Commission order under ORS 756.561 and OAR 860-001-0720 or to appeal the Commission order under ORS 756.610.

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PACIFICORP

STAFF of the PUBLIC UTILITY
COMMISSION OF OREGON

By: _____

By: /s/ Anna Kim _____

Date: _____

Date: 10/06/23 _____

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN ENERGY
CONSUMERS

By: _____

By: _____

Date: _____

Date: _____

VITESSE, LLC

By: _____

Date: _____

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PACIFICORP

STAFF of the PUBLIC UTILITY
COMMISSION OF OREGON

By: _____

By: _____

Date: _____

Date: _____

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN ENERGY
CONSUMERS

By: /s/ Michael P. Goetz _____

By: _____

Date: 10/05/2023 _____

Date: _____

VITESSE, LLC

By: _____

Date: _____

reserve the right to seek reconsideration or rehearing of the Commission order under ORS 756.561 and OAR 860-001-0720 or to appeal the Commission order under ORS 756.610.

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PACIFICORP

STAFF of the PUBLIC UTILITY
COMMISSION OF OREGON

By: _____

By: _____

Date: _____

Date: _____

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN ENERGY
CONSUMERS

By: _____

By: /s/ Brent Coleman

Date: _____

Date: 10/06/23

VITESSE, LLC

By: _____

Date: _____

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PACIFICORP

STAFF of the PUBLIC UTILITY
COMMISSION OF OREGON

By: _____

By: _____

Date: _____

Date: _____

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN ENERGY
CONSUMERS

By: _____

By: _____

Date: _____

Date: _____

VITESSE, LLC

By:  _____

Date: October 6, 2023

ATTACHMENT A

Oregon Power Cost Adjustment Mechanism
January 1, 2022 - December 31, 2022
Exhibit/PAC 101 - Power Cost Adjustment Mechanism Calculation

Line No.	Reference	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Total
Actual:														
1	Total Company Adjusted Actual NPC (2.1)	\$ 149,438,464	\$ 128,122,294	\$ 123,141,371	\$ 133,479,278	\$ 140,346,917	\$ 134,730,073	\$ 228,079,752	\$ 217,306,300	\$ 195,680,692	\$ 139,806,687	\$ 172,215,427	\$ 274,432,726	\$ 2,036,779,981
2	Actual Allocated PTC (4.1)	(27,504,870)	(26,859,264)	(23,542,967)	(24,354,227)	(20,422,649)	(14,907,112)	(11,756,331)	(10,704,298)	(12,291,227)	(15,704,030)	(20,915,161)	(28,974,567)	(237,936,704)
3	Total PCAM Adjusted Actual Costs Sum Lines 1 - 2	121,933,593	101,263,031	99,598,404	109,125,051	119,924,268	119,822,961	216,323,421	206,602,003	183,389,465	124,102,657	151,300,266	245,458,159	1,798,843,278
4	Actual System Retail Load (8.1)	4,987,311	4,377,628	4,467,823	4,286,592	4,346,993	4,701,404	5,780,966	5,361,966	4,568,728	4,281,868	4,797,471	5,197,163	57,155,915
5	Actual PCAM Costs \$/MWh Line 3 / Line 4	\$ 24.45	\$ 23.13	\$ 22.29	\$ 25.46	\$ 27.59	\$ 25.49	\$ 37.42	\$ 38.53	\$ 40.14	\$ 28.98	\$ 31.54	\$ 47.23	\$ 31.47
Base:														
6	Total Company Base NPC (3.1)	\$ 95,580,153	\$ 104,984,114	\$ 123,863,422	\$ 118,182,046	\$ 124,049,304	\$ 120,189,616	\$ 120,426,863	\$ 116,582,211	\$ 94,804,267	\$ 109,250,127	\$ 112,660,872	\$ 128,831,722	\$ 1,369,404,716
7	Adjustment for Direct Access (3.2)	(1,548,415)	(1,285,240)	(1,243,102)	(830,827)	(658,610)	(822,488)	(1,954,738)	(2,125,770)	(1,379,219)	(1,364,345)	(999,381)	(1,889,631)	(16,101,766)
8	Base Allocated PTC (4.1)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(21,523,743)	(258,284,914)
9	Total PCAM Base Costs Sum Lines 6 - 8	72,507,995	82,175,131	101,096,577	95,827,476	101,866,950	97,843,385	96,948,382	92,932,699	71,901,305	86,362,039	90,137,748	105,418,348	1,095,018,036
10	Base System Retail Load (8.1)	4,941,352	4,318,730	4,506,471	4,239,564	4,436,755	4,697,067	5,412,670	5,187,257	4,518,988	4,414,433	4,527,144	5,019,942	56,220,374
11	Base PCAM Costs \$/MWh Line 9 / Line 10	\$ 14.67	\$ 19.03	\$ 22.43	\$ 22.60	\$ 22.96	\$ 20.83	\$ 17.91	\$ 17.92	\$ 15.91	\$ 19.56	\$ 19.91	\$ 21.00	\$ 19.48
12	System PCAM Unit Cost Differential \$/MWh Line 5 - Line 11	\$ 9.78	\$ 4.10	\$ (0.14)	\$ 2.85	\$ 4.63	\$ 4.66	\$ 19.51	\$ 20.62	\$ 24.23	\$ 9.42	\$ 11.63	\$ 26.23	\$ 12.00
13	Oregon Retail Load (8.1)	1,282,379	1,122,552	1,070,988	1,096,950	1,020,039	992,367	1,224,471	1,227,367	1,013,527	1,028,069	1,260,412	1,361,470	13,700,592
Deferral:														
14	Monthly PCAM Differential - Above or (Below) Base Line 12 * Line 13	\$ 12,535,316	\$ 4,607,319	\$ (151,294)	\$ 3,130,864	\$ 4,720,818	\$ 4,620,354	\$ 23,887,663	\$ 25,302,724	\$ 24,556,975	\$ 9,684,131	\$ 14,654,805	\$ 35,710,467	\$ 163,260,141
15	Oregon Situs Resource True-Up (7.1)	22,044	20,068	3,073	(6,633)	(91,129)	(22,010)	56,079	118,104	25,083	(16,995)	(16,509)	(20,400)	70,774
16	Total Monthly PCAM Differential - Above or (Below) Base Line 14 + Line 15	12,557,360	4,627,387	(148,221)	3,124,231	4,629,688	4,598,344	23,943,742	25,420,827	24,582,058	9,667,135	14,638,296	35,690,067	163,330,914
17	Cumulative PCAM Differential - Above or (Below) base	12,557,360	17,184,747	17,036,525	20,160,756	24,790,445	29,388,789	53,332,531	78,753,358	103,335,416	113,002,552	127,640,848	163,330,914	
18	Positive Deadband - ABOVE Base Order: 12-493	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
19	Negative Deadband - BELOW Base Order: 12-493	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)
20	Amount Deferrable - ABOVE Deadband	-	-	-	-	-	-	23,332,531	25,420,827	24,582,058	9,667,135	14,638,296	35,690,067	133,330,914
21	Amount Deferrable - BELOW Deadband	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Total Incremental Deferrable Line 20 + Line 21	-	-	-	-	-	-	23,332,531	25,420,827	24,582,058	9,667,135	14,638,296	35,690,067	133,330,914
23	Total Incremental Deferral After 90%/10% Sharing Band Line 22 * 90%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,999,278	\$ 22,878,745	\$ 22,123,853	\$ 8,700,422	\$ 13,174,467	\$ 32,121,060	\$ 119,997,823
Energy Balancing Account:														
24	Monthly Interest Rate Note 1	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%
25	Beginning Balance Prior Month Line 28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,061,724	\$ 44,133,769	\$ 66,585,898	\$ 75,708,212	\$ 89,372,131	\$ -
26	Incremental Deferral Line 23	-	-	-	-	-	-	20,999,278	22,878,745	22,123,853	8,700,422	13,174,467	32,121,060	119,997,823
27	Interest Line 24 * (Line 25 + 50% x Line 26)	-	-	-	-	-	-	62,447	193,300	328,276	421,893	489,452	627,061	2,122,429
28	Ending Balance Σ Lines 25:27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,061,724	\$ 44,133,769	\$ 66,585,898	\$ 75,708,212	\$ 89,372,131	\$ 122,120,252	\$ 122,120,252
Earnings Test:														
29	Earned Return on Equity (9.1)													3.07%
30	Allowed Return on Equity UE 374													9.50%
31	100bp ROE Revenue Requirement													\$ 30,645,855
32	Allowed Deferral After Earning Test													166,345,457
33	Total Deferred													\$ 122,120,252
34	Interest Accrued January 1, 2023 through December 31, 2023 Line 33 * (1 + 1.07109% / 12) ^ 12 - Line 33* (Note 2)													\$ 8,970,059
35	Requested PCAM Recovery Line 33 + Line 34													\$ 131,090,311

Notes:

Note 1: 7.137% annual interest rate based on Oregon approved rate of return/weighted average cost of capital in UE-374 in effect through December 31, 2022.
Note 2: 7.109% annual interest rate based on Oregon approved rate of return/weighted average cost of capital in UE-399 in effect beginning January 1, 2023.

Docket No. UE 421
Joint Stipulating Parties/100

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

STIPULATING PARTIES

Joint Testimony of Jack Painter, Anna Kim, Bob Jenks, Bradley Mullins, and
Steve Johnson in Support of Stipulation

on behalf of

PacifiCorp, Public Utility Commission of Oregon Staff, Oregon Citizens' Utility Board,
Alliance of Western Energy Consumers, and Vitesse, LLC

October 2023

TABLE OF CONTENTS

Joint Testimony Supporting Stipulation 1

ATTACHED EXHIBITS

- Exhibit Joint Stipulating Parties/101—Proposed rate spread for PCAM amortization
- Exhibit Joint Stipulating Parties/102—Witness Qualification Statement of Bob Jenks
- Exhibit Joint Stipulating Parties/103—Witness Qualification Statement of Brad Mullins
- Exhibit Joint Stipulating Parties/104—Witness Qualification Statement of Steve Johnson

1 **Q. Please state your names, business addresses, and present positions.**

2 A. My name is Jack Painter. My business address is 825 NE Multnomah Street, Suite
3 600, Portland, Oregon 97232. My title is Net Power Cost Specialist. My witness
4 qualifications are set forth in PAC/100, Painter/1.

5 My name is Anna Kim. My Witness Qualification Statement is found in
6 Staff/103, Dlouhy-Jent-Kim-Pileggi/1.

7 My name is Bob Jenks. I am the Executive Director of the Oregon Citizens'
8 Utility Board (CUB). My Witness Qualification Statement is found in Exhibit Joint
9 Stipulating Parties/102.

10 My name is Brad Mullins. My Witness Qualification Statement is found in
11 Exhibit Joint Stipulating Parties/103.

12 My name is Steve Johnson. My Witness Qualification Statement is found in
13 Exhibit Joint Stipulating Parties/104.

14 **JOINT TESTIMONY SUPPORTING STIPULATION**

15 **Q. What is the purpose of this Joint Testimony?**

16 A. PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company), Public Utility
17 Commission of Oregon (Commission) Staff, Oregon Citizens' Utility Board (CUB),
18 the Alliance of Western Energy Consumers (AWEC), and Vitesse, LLC (Vitesse)
19 (collectively the "Stipulating Parties") jointly provide this testimony in support of the
20 Stipulation, filed concurrent with this Joint Testimony. The Stipulating Parties
21 request that the Commission issue an order approving the Stipulation and
22 implementing its terms.

1 **Q. What is the purpose of PacifiCorp’s PCAM?**

2 A. In Order No. 12-493, the Commission approved a power cost adjustment mechanism
3 (PCAM) to allow PacifiCorp to defer the difference between actual net power costs
4 (NPC) incurred to serve customers and the base NPC established in the Company’s
5 annual transition adjustment mechanism (TAM) filing.¹ The amount recovered from,
6 or refunded to, customers for a given year is established after the application of the
7 PCAM design elements articulated in Order No. 12-493, including a deadband,
8 sharing band, an earnings test, and an amortization cap. PacifiCorp filed its 2022
9 PCAM for calendar year 2022, on May 12, 2023.

10 **Q. What was the variance between actual PCAM costs and base PCAM costs for**
11 **calendar year 2021?**

12 A. The actual PCAM costs exceeded base PCAM costs for calendar year 2021 by
13 approximately \$163.3 million on an Oregon-allocated basis.²

14 **Q. Does the Stipulation provide that a rate change should occur in docket UE 421?**

15 A. Yes. The Stipulation provides that the Company’s PCAM for calendar year 2022 will
16 result in \$131,090,311 being recovered from customers. The \$131,090,311 PCAM
17 balance will be amortized over a two-year period. If the combined January 1, 2024
18 rate increase for residential customers from the 2024 TAM, 2022 PCAM, the
19 Renewable Adjustment Clause rate change, and any other rate change exceeds 15
20 percent, PacifiCorp will seek to delay the rate effective date of revised Schedule 206,

¹ *In the Matter of PacifiCorp d/b/a Pacific Power’s Request for a General Rate Revision*, Docket No. UE 246, Order No. 12-493 (Dec. 20, 2012).

² *In the Matter of PacifiCorp d/b/a Pacific Power, 2022 Power Cost Adjustment Mechanism*, Docket No. UE 421, Direct Testimony of Jack Painter at 4 (May 12, 2023).

1 the PCAM tariff, as applicable to residential customers, until April 1, 2024, to keep
2 the rate increase to residential customers below 15 percent. The interest rate that will
3 be recovered on this balance as it is amortized through customer rates will be the
4 Commission's modified blended exception rate plus 100 basis points (as calculated in
5 January of 2024).

6 **Q. How was the amount to be recovered from customers calculated?**

7 A. The application of the deadband, sharing band, and earnings test, identified in Order
8 No. 12-493, is provided in Attachment A to the Stipulation.³

9 **Q. Are the Stipulating Parties proposing to change the rate effective date for**
10 **residential customers?**

11 A. Only if the combined rate increase from the 2024 TAM, 2022 PCAM, the Renewable
12 Adjustment Clause rate increase, and any other rate change increases rates for
13 residential customers beyond 15 percent. In the event this condition is met, the
14 Stipulating Parties propose that the rate effective date be moved from January 1, 2024
15 to April 1, 2024 for residential customers. This agreement was developed in order to
16 minimize the impact on residential customers during the winter heating period.

17 **Q. Are the Parties proposing any changes to the process for the 2023 PCAM?**

18 A. Yes, PacifiCorp has agreed to hold a technical workshop to discuss 2023 actual NPC
19 and the events that occurred in 2023 that impacted PacifiCorp's actual NPC.

³ An illustration of this calculation is provided on page 4 of the direct testimony of Jack Painter filed to this docket on May 12, 2023.

1 **Q. Have all parties to docket UE 421 joined the Stipulation?**

2 A. Yes. All parties to docket UE 421 have joined the Stipulation. After settlement
3 communications, the Stipulating Parties executed the Stipulation on October 6, 2023.
4 No other party has intervened in this proceeding.

5 **Q. What is the basis for the Stipulation?**

6 A. The Company's Initial Filing and this Joint Testimony create an adequate record on
7 the Company's 2022 PCAM. The Company responded to data requests and provided
8 updates to its Initial Filing. Parties had several technical conferences and resolved
9 their differences through dialogue and negotiations.

10 **Q. Please explain why the Parties believe that the Commission should adopt the**
11 **Stipulation.**

12 A. The Stipulation represents a reasonable compromise of the numerous and complex
13 issues raised in this case for many reasons, including, but not limited to the fact that the
14 Stipulation:

- 15 • Allows for the recovery of approximately \$131 million of NPC that were
16 incurred to serve customers in 2022.
- 17 • Amortizes the balance for all customers over two years to limit the impact on
18 customer rates and sets the rate effective date after the winter heating season
19 for residential customers in the event that PacifiCorp's rate changes on
20 January 1, 2024, exceed 15 percent.
- 21 • Provides for a technical workshop after filing the 2023 PCAM to provide an
22 initial forum for Parties to understand the events that occurred in 2023 that
23 impacted PacifiCorp's NPC.

24 **Q. Have the Parties evaluated the overall fairness of the Stipulation?**

25 A. Yes. Each Stipulating Party has reviewed the record in this case and the Stipulation.
26 The Parties agree that the rates resulting from the Stipulation meet the standard set

1 forth in ORS 756.040 and represent a reasonable compromise of the issues presented
2 in this case.

3 **Q. What do the Parties recommend regarding the Stipulation?**

4 A. The Parties recommend that the Commission adopt the Stipulation as the basis for
5 resolving the issues in this case, and request that the Commission include the terms
6 and conditions of the Stipulation in its final orders in this case.

7 **Q. Does this conclude your joint testimony?**

8 A. Yes.

Docket No. UE 421
Exhibit Joint Stipulating Parties/101

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

STIPULATING PARTIES

Exhibit Accompanying Testimony of Joint Stipulating Parties

Proposed Rate Spread for PCAM Amortization

October 2023

PACIFIC POWER
State of Oregon
2022 Power Cost Adjustment Mechanism (PCAM) - Adjustment, Proposed Schedule 206

FORECAST 12 MONTHS ENDED DECEMBER 31, 2024

Line No.	Sch No.	Description		MWh ¹	Generation Rate Spread	Proposed 2022 PCAM Sch 206	
						Rates (¢/kWh)	Revenues (\$000)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	4	Residential		5,829,081	37.383%	0.442	\$25,765
2	23	Gen. Svc. < 31 kW	Secondary	1,162,950	7.026%	0.416	\$4,838
3			Primary	3,400	0.019%	0.377	\$13
4	28	Gen. Svc. 31 - 200 kW	Secondary	2,059,282	12.285%	0.411	\$8,464
5			Primary	24,745	0.144%	0.401	\$99
6	30	Gen. Svc. 201 - 999 kW	Secondary	1,223,348	7.157%	0.403	\$4,930
7			Primary	101,733	0.593%	0.401	\$408
8	41	Agricultural Pumping Service	Secondary	237,610	1.370%	0.397	\$943
9			Primary	34	0.000%	0.391	\$0
10	48	Large General Service >= 1,000 kW	Secondary	1,216,204	7.059%	0.400	\$4,865
11			Primary	2,473,740	13.846%	0.385	\$9,524
12			Transmission	2,433,482	13.033%	0.369	\$8,980
13	47	Partial Req. Svc. >= 1,000 kW	Primary	17,121		0.385	\$66
14			Transmission	15,142		0.369	\$56
15	15	Outdoor Area Lighting Service		2,054	0.016%	0.548	\$11
16	51	Street Lighting Service Comp. Owned		7,381	0.050%	0.469	\$35
17	53	Street Lighting Service Cust. Owned		7,519	0.015%	0.138	\$10
18	54	Recreational Field Lighting		1,394	0.003%	0.138	\$2
19		Subtotal		<u>16,816,221</u>	100.000%		<u>\$69,008</u>
20		Employee Discount		13,481		(0.111)	(\$15)
21		Total		<u>16,816,221</u>			<u>\$68,993</u>

¹ Includes tariff based lighting MWh.

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Exhibit Accompanying Testimony of Joint Stipulating Parties

Witness Qualification Statement of Bob Jenks

October 2023

WITNESS QUALIFICATION STATEMENT

NAME: Bob Jenks

EMPLOYER: Citizens' Utility Board of Oregon

TITLE: Executive Director

ADDRESS: 610 SW Broadway, Suite 400
Portland, OR 97205

EDUCATION: Bachelor of Science, Economics
Willamette University, Salem, OR

EXPERIENCE: Provided testimony or comments in a variety of OPUC dockets, including UE 88, UE 92, UM 903, UM 918, UE 102, UP 168, UT 125, UT 141, UE 115, UE 116, UE 137, UE 139, UE 161, UE 165, UE 167, UE 170, UE 172, UE 173, UE 207, UE 208, UE 210, UE 233, UE 246, UE 283, UG 152, UM 995, UM 1050, UM 1071, UM 1147, UM 1121, UM 1206, UM 1209, UM 1355, UM 1635, UM 1633, and UM 1654. Participated in the development of a variety of Least Cost Plans and PUC Settlement Conferences. Provided testimony to Oregon Legislative Committees on consumer issues relating to energy and telecommunications. Lobbied the Oregon Congressional delegation on behalf of CUB and the National Association of State Utility Consumer Advocates.

Between 1982 and 1991, worked for the Oregon State Public Interest Research Group, the Massachusetts Public Interest Research Group, and the Fund for Public Interest Research on a variety of public policy issues.

MEMBERSHIP: National Association of State Utility Consumer Advocates
Board of Directors, OSPIRG Citizen Lobby
Telecommunications Policy Committee, Consumer Federation of America
Electricity Policy Committee, Consumer Federation of America
Board of Directors (Public Interest Representative), NEEA

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**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

STIPULATING PARTIES

Exhibit Accompanying Testimony of Joint Stipulating Parties

Witness Qualification Statement of Brad Mullins

October 2023

MW Analytics is the professional practice of Bradley Mullins, a consultant and expert witness that represents utility customers in regulatory proceedings before state utility commissions throughout the western United States. Since starting MW Analytics in 2013, Mr. Mullins has sponsored expert witness testimony in over 100 regulatory proceedings on a variety of subject matters, including revenue requirements, regulatory accounting, rate development, and new resource additions. MW Analytics also assists customers on informal regulatory, legislative and energy policy matters. In addition to providing regulatory services, MW Analytics also provides advisory and other energy consulting services.

Education

- Master of Accounting, Tax Emphasis, University of Utah
- Bachelor of Finance, University of Utah
- Bachelor of Accounting, University of Utah

Relevant Prior Experience

PacifiCorp, Portland, OR: Net Power Cost Consultant 2010 – 2013

- Analyst involved in power cost modeling and forecasting
- Responsible for preparing power cost forecasts, supporting testimony for regulatory filings, preparing annual power cost deferral filings, and developing qualifying facility avoided cost calculations

Deloitte, San Jose, CA: Tax Senior 2007 – 2009

- Staff accountant responsible for preparing corporate tax returns for multinational corporate clients and partnership returns for hedge fund clients
- Joined national tax practice specialized in research and development tax credits

Recent Expert Witness Testimony

Docket	Party	Topics
<i>In re PacifiCorp 2023 General Rate Case, Wa.UTC Docket No. UE-230172</i>	Alliance of Western Energy Consumers	Revenue Requirement, Power Costs
<i>In re the Application Of Rocky Mountain Power To Increase Current Rates By \$50.3 Million To Recover Deferred Net Power Costs Pursuant To Tariff Schedule 95 Energy Cost Adjustment Mechanism And To Decrease Current Rates By \$1.5 Million Pursuant To Tariff Schedule 93, REC And SO2 Revenue Adjustment Mechanism, Wy.PSC Docket No. 20000-642-EM23</i>	Wyoming Industrial Energy Consumers	Power Cost Deferral
<i>In re the Application of Rocky Mountain Power For Authority to Increase Its Retail Electric Service Rates by Approximately \$140.2 Million Per Year or 21.6 Percent And to Revise the Energy Cost Adjustment Mechanism, Wy.PSC Docket No. 20000-633-ER-23</i>	Wyoming Industrial Energy Consumers	Power Costs
<i>In re of Avista Corporation, d.b.a. Avista Utilities, Request for a General Rate Revision, Or.PUC Docket No. UG 461</i>	Alliance of Western Energy Consumers	Revenue Requirement
<i>In re Joint Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for Approval of the Cost Recovery of the Regulatory Assets Relating to the Development and</i>	Smart Energy Alliance and	Wildfire Mitigation

Docket	Party	Topics
<i>Implementation of their Joint Natural Disaster Protection Plan., PUC Nv. Docket No. 23-03004</i>	Wynn Las Vegas, LLC	
<i>In re of PacifiCorp, dba Pacific Power, 2024 Transition Adjustment Mechanism, Or.PUC Docket No. UE 420</i>	Alliance of Western Energy Consumers	Power Costs
<i>In re the Application of Avista Corporation dba Avista Utilities Requesting Authority to Revise Its Natural Gas Book Depreciation Rates And Deferred Accounting, Or.PUC Docket No UM 2277</i>	Alliance of Western Energy Consumers	Depreciation
<i>In re Joint Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for Approval of their Joint Natural Disaster Protection Plan, PUC Nv. Docket No. 23-03003</i>	Caesars Enterprise Services, LLC; MGM Resorts International; Wynn Las Vegas, LLC; and Smart Energy Alliance	Wildfire Mitigation
<i>In re NW Natural Gas Corporation, d.b.a NW Natural Renewable Natural Gas Adjustment Mechanism - Dakota City, Or.PUC Docket No UG 462.</i>	Alliance of Western Energy Consumers	Revenue Requirement
<i>In re Portland General Electric Company Request for a General Rate Revision, Or. PUC Docket No. UE 416.</i>	Alliance of Western Energy Consumers	Power Costs / Revenue Requirement
<i>In re the Application of Intermountain Gas Company for Authority to Increase Its Rates and Charges for Natural Gas Service in the State of Idaho, Id.PUC Case No. INT-G-22-07.</i>	Alliance of Western Energy Consumers	Revenue Requirement
<i>In re Joint Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for approval of the fourth amendment to its 2021 Joint Integrated Resource Plan, PUC Nv. Docket No. 22-11032.</i>	Caesars Enterprise Services, LLC; MGM Resorts International; Nevada Resorts Association	Resource Planning
<i>In re Joint Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for approval of the Third Amendment to its 2021 Joint Integrated Resource Plan., PUC Nv. Docket No. 22-09006.</i>	Caesars Enterprise Services, LLC; MGM Resorts International; Nevada Resorts Association	Transportation Electrification
<i>In re Portland General Electric Company, Advice No. 22-18 New Schedule 151 Wildfire Mitigation Cost Recovery, Or.PUC Docket No. UE 412.</i>	Alliance of Western Energy Consumers	Regulatory Accounting
<i>In re PacifiCorp, Automatic Adjustment Clause for Wildfire Protection Plan Costs, Or.PUC Docket No. UE 407.</i>	Alliance of Western Energy Consumers	Regulatory Accounting
<i>In re Portland General Electric Company, Application for Authority to Amortize Deferred Amounts Related to 2020 and 2021 Wildfire and Ice Storm Emergency Events, Or.PUC Docket No. UE 408.</i>	Alliance of Western Energy Consumers	Regulatory Accounting
<i>In re PacifiCorp 2021 Power Cost Adjustment Mechanism, Or.PUC Docket No. UE 404.</i>	Alliance of Western Energy Consumers	Power Cost Deferral
<i>In re Portland General Electric Company, 2021 Annual Power Cost Variance Mechanism, Or. PUC UE 406</i>	Alliance of Western Energy Consumers	Power Cost Deferral

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**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

STIPULATING PARTIES

Exhibit Accompanying Testimony of Joint Stipulating Parties

Witness Qualification Statement of Steve Johnson

October 2023

Steve Johnson

(206) 605-4064 (m) ♦ xstevejohnson@msn.com

Relevant Professional Experience

Negative Delta G Consulting

Seattle, WA 2023-Present

Through my sole proprietorship, I provide expert consultant services to organizations working on the transition to a clean energy grid and stable, affordable rates.

Senior Policy Advisor

Washington State Utilities and Transportation Commission (UTC), Lacey, WA 2008-2022

- Provide analysis, council, and recommendations in written and oral form to UTC Commissioners and Administrative Law Judges in adjudicated and non-adjudicated cases.
- Recommend agency positions and assist in determining agency policy and actions on Western Interconnection-wide and federal regulatory policy issues affecting Washington State.
- Act as lead policy advisor on electricity market development, resource adequacy, resource acquisition, coal plant retirement, integrated resource planning, transmission operation and policy.
- Act as rulemaking lead on *Purchases of Electricity* rulemaking and the *Markets and CETA Compliance Rulemaking*, interpreting the term “use” of clean energy in the Washington State’s Clean Energy Transformation Act (CETA).
- Develop policy in coordination with other Washington State agencies and other states in the Western Interconnect.
- Work as a member of internal and external teams on regional markets governance, rulemakings, rate cases, integrated resource plans, and legislative analysis.
- Member of the Northwest Power and Conservation Council *Resource Adequacy Advisory Committee*, *Resource Adequacy Technical Advisory Committee*, and *Regional Technical Forum Policy Advisory Committee*. Served on the *Western Resource Adequacy Program Technical Advisory Committee*.
- Developed and conducted in-person presentations on the development of the Energy Imbalance Market and centralized markets in the U.S. West coast at conferences of the *USAID Black Sea Regulatory Initiative* in Kiev, Ukraine and Tbilisi, Georgia.

Regulatory Analyst

The Public Counsel Unit of the Washington Attorney General's Office, Seattle, WA 2004-2008

- Provided analysis on rate cases and expert testimony on power costs and merger cases.

- Negotiated settlements and managed expert witness testimony.
- Led work on Bonneville Power Administration (BPA) issues and utility acquisitions.
- Worked as part of close-knit team on rate cases, rulemakings, and policy development related to rate decoupling.

Transmission Resource Analyst

Puget Sound Energy, Bellevue, WA 2001-2004

- Assisted with analysis and development of policy on RTO WEST for merchant division.
- Analyzed merchant division's long-term transmission planning needs.
- Evaluated transmission needs and availability for wind only and all-source requests for proposals.
- Analyzed merchant transmission requests in BPA's first open season transmission service request process and Colstrip related transmission assets and contracts in the context of translating them into congestion revenue rights.
- Analyzed business prospects for expanding Cross-Cascade transmission capacity.

PRE-ENERGY INDUSTRY WORK

I worked in multiple positions as a chemist. I served as an analytical chemist in a lab at the site of a Superfund groundwater remediation project in Washington State. I worked as a quality control chemist in the commercial food industry in Oregon. I served as an aquaculture manager for a natural product pharmaceutical company that grew microscopic algae and extracted omega-three fatty acids with anti-inflammatory properties in Washington.

EDUCATION

Masters of Public Administration, University of Washington, The Daniel J Evans School of Public Policy and Governance, Seattle, WA, 2002

Bachelor of Science, The Evergreen State College, Olympia, WA, 1988

Major: Chemistry