

**PUBLIC UTILITY COMMISSION OF OREGON
INTEROFFICE CORRESPONDENCE**

DATE: December 26, 2023
TO: Marc Hellman, Anna Kim
FROM: Dean Ratliff, Bret Stevens
SUBJECT: Verification of PacifiCorp's Power Cost Adjustment Mechanism (PCAM) amortization following Order No. 23-468 in Docket UE 421; Rates Effective January 1, 2024. Compliance Filing Advice No. 23-026.

In Order No. 23-468 (Order) entered on December 11, 2023, Docket No. UE 421, the Public Utility Commission of Oregon (Commission) adopted a comprehensive stipulation on all issues associated with PAC's 2022 Power Cost Adjustment Mechanism (PCAM). The stipulating parties agreed to recover the \$131,090,311 through the PCAM as quantified in PacifiCorp's initial filing and that this total balance would be amortized over a two-year period beginning January 1, 2024. In response to the Order, PAC submitted its Compliance Filing Advice No. 23-026 on December 18, 2023.

Staff has reviewed the Advice Filing and finds it complies with the Commission's Order. The checks and analytic tasks required to affirm the accuracy of rates were as follows:

- Confirm the revenue target is correctly calculated in the to be consistent with Commission Order No. 23-468.
- Confirm that revenue target is amortized correctly at the rate approved in Commission Order No. 23-468.
- Confirm from the Rate Spread and Design work papers that the proposed tariff prices are calculated to produce revenues in accordance with Commission Order No. 23-468. Staff confirmed that the rates and percentage increases to each customer class are calculated correctly.
- Confirm that the tariff sheets are properly updated with the rates present in the work papers, advice number, revision number, date, and any other appropriate language changes.

Staff verified that the specific impacts authorized by the Order will be achieved by the changed tariff pages as filed. Staff utilized the provided work papers relevant to this filing filed on April 12, 2023 and December 18, 2023. The proposed change will affect roughly 652,000 customers and will result in an overall annual increase of approximately \$69.0 million or 4.0 percent. For a typical single-family customer using 900 kWh a month, they will see a bill increase of roughly \$4.03 per month or 3.48 percent.

Staff recommends that an acknowledgement letter be sent, and the tariff sheets as currently filed be allowed to go into effect for service rendered on and after January 1, 2024.