

March 20, 2020

VIA ELECTRONIC FILING

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

Attn: Filing Center

RE: UM_____—Application for Approval of Deferred Accounting of Costs from COVID-

19 Public Health Emergency

PacifiCorp d/b/a Pacific Power submits for filing its application to defer costs associated with responding to the COVID-19 public health emergency.

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

Oregon Dockets Matthew McVee

PacifiCorp Chief Regulatory Counsel

825 NE Multnomah Street, Suite 2000 825 NE Multnomah Street, Suite 2000

Portland, OR 97232 Portland, OR 97232

oregondockets@pacificorp.com <u>matthew.mcvee@pacificorp.com</u>

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

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah, Suite 2000

Portland, OR 97232

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

Sincerely,

Etta Lockey

Vice President, Regulation

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Order Approving the Deferral of Costs Associated with Response to COVID-19 Public Health Emergency.

APPLICATION FOR APPROVAL OF DEFERRED ACCOUNTING OF COSTS FROM COVID-19 PUBLIC HEALTH EMERGENCY

I. INTRODUCTION

Under ORS 757.259 and OAR 860-027-0300, PacifiCorp d/b/a Pacific Power requests an order authorizing PacifiCorp to defer for later ratemaking treatment costs from the COVID-19 public health emergency. PacifiCorp seeks authorization to defer the recovery of costs incurred from the date of this application for a 12-month period ending March 20, 2021. PacifiCorp will seek amortization of the deferred costs in a future Commission proceeding.

In support of this Application, PacifiCorp states:

II. NOTICE

Communications regarding this application should be addressed to:

Oregon Dockets 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 oregondockets@pacificorp.com Matthew McVee Chief Regulatory Counsel 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 matthew.mcvee@pacificorp.com

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

By email (preferred): <u>datarequest@pacificorp.com</u>

UM — APPLICATION FOR APPROVAL OF DEFERRED ACCOUNTING OF COSTS FROM COVID-19 PUBLIC HEALTH EMERGENCY

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

PacifiCorp seeks authorization from the Public Utility Commission of Oregon (Commission) to defer, for future amortization, costs incurred to respond to the COVID-19 public health emergency. PacifiCorp expects that it will incur significant costs in its response to the public health emergency, including bad debt expense resulting from higher than average levels of write offs of uncollectible accounts associated with the suspension of disconnects and late payment fees to assist customers facing unprecedented economic pressures. PacifiCorp also expects to incur additional costs that cannot currently be predicted given the unprecedented nature of this public health emergency. Accordingly, PacifiCorp requests authorization to establish a new deferral account to record the costs associated with its COVID-19 response.

B. Reasons for Deferral

PacifiCorp requests this deferral under ORS 757.259(2)(e). This deferral will match appropriately the costs borne by and benefits received by customers. PacifiCorp is also seeking authorization for the deferral because of the potential magnitude and unprecedented

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 $^{^{\}rm 1}$ On March 8, 2020, Oregon Governor Kate Brown declared a state of emergency over the COVID-19 outbreak.

nature of the COVID-19 public health emergency. The associated risks of the COVID-19 public health emergency are well outside reasonable business risk for the company.

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 proposes to record the deferral as a regulatory asset in FERC Account 182.3 (Other Regulatory Assets), and credit the appropriate FERC account associated with the expense or waived fee, such as FERC Account 904 (Uncollectible Accounts) and FERC Account 450 (Forfeited Discounts). In the absence of a deferred accounting order, the costs would be debited to these accounts.

D. Estimate of Amounts

Given the unprecedented nature of this public health emergency, PacifiCorp cannot estimate the costs associated with its COVID-19 response, or the length of time in which the costs will be incurred. PacifiCorp's preliminary estimates indicate that these costs could well exceed \$5 million.

E. Notice

A copy of the Notice of Application for Approval of Deferred Accounting of Costs from COVID-19 Public Health Emergency and a list of persons served with the notice are included with this filing as Exhibit A.

IV. CONCLUSION

Authorization of deferred accounting treatment is an appropriate, just, and reasonable. For the reasons stated above, PacifiCorp requests authorization to defer costs associated with the COVID-19 public health emergency for the 12-month period beginning March 20, 2020.

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Respectfully submitted this 20th day of March, 2020.

By:

Matthew McVee, OSB #020735 Chief Regulatory Counsel

PacifiCorp

825 NE Multnomah Street, Suite 2000

Portland, OR 97232 PHONE: (503) 813-5585

EMAIL: <u>matthew.mcvee@pacificorp.com</u>

Attorney for PacifiCorp

EXHIBIT A

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Order Approving the Deferral of Costs Associated with Response to COVID-19 Public Health Emergency.

NOTICE OF
APPLICATION FOR
AUTHORIZATION OF DEFERRED
ACCOUNTING

On March 20, 2020, PacifiCorp d/b/a Pacific Power filed an application with the Public Utility Commission of Oregon (Commission) for an order authorizing deferral of the costs associated with its response to the COVID-19 public health emergency. PacifiCorp respectfully requests authorization for 12 months beginning March 20, 2020. To obtain a copy of the application, contact the following:

Oregon Dockets 825 NE Multnomah Street, Suite 2000 Portland, OR 97232

Email: oregondockets@pacificorp.com

Any person may submit written comments to the Commission regarding the application within 25 days of the date of this filing.

Respectfully submitted on March 20, 2020.

By:

Matthew McVee

Chief Regulatory 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 AUTHORIZATION OF DEFERRED ACCOUNTING** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

Service List UE 374

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Dated this 20th day of March, 2020.

Katie Savarin

Coordinator, Regulatory Operations