



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

December 28, 2017

VIA ELECTRONIC FILING

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

Attn: Filing Center

RE: UM ____ PacifiCorp's Application for Deferred Accounting Related to the Federal Tax Act

Enclosed for filing by PacifiCorp d/b/a Pacific Power is an Application for Deferred Accounting Related to the Federal Tax Act.

It is respectfully requested that all formal data requests to the company regarding this filing be addressed to the following:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Please direct any informal inquiries to me at (503) 813-6583.

Sincerely,

Natasha Siores
Manager, Regulatory Affairs

Enclosures

cc: Service List UE 263

CERTIFICATE OF SERVICE

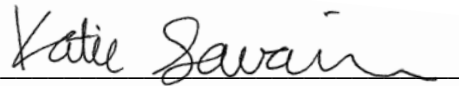
I certify that I electronically filed a true and correct copy of PacifiCorp's **Application for Deferred Accounting Related to the Federal Tax Act** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

Service List UE 263

OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 dockets@oregoncub.org	GREGORY M. ADAMS RICHARDSON ADAMS, PLLC PO BOX 7218 BOISE, ID 83702 greg@richardsonadams.com
GREG BASS NOBLE AMERICAS ENERGY SOLUTIONS, LLC 401 WEST A ST., STE. 500 SAN DIEGO, CA 92101 gbass@noblesolutions.com	KURT J BOEHM BOEHM KURTZ & LOWRY 36 E SEVENTH ST - STE 1510 CINCINNATI, OH 45202 kboehm@bkllawfirm.com
STEVE W CHRISS (C) WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE, AR 72716-0550 stephen.chriss@wal-mart.com	MARIANNE GARDNER (C) PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM, OR 97308-1088 marianne.gardner@state.or.us
KEVIN HIGGINS ENERGY STRATEGIES LLC 215 STATE ST - STE 200 SALT LAKE CITY, UT 84111-2322 khiggins@energystat.com	ROBERT JENKS (C) OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND, OR 97205 bob@oregoncub.org
SARAH E LINK (C) PACIFIC POWER 825 NE MULTNOMAH ST STE 1800 PORTLAND, OR 97232 sarah.link@pacificorp.com	JODY KYLER COHN BOEHM, KURTZ & LOWRY 36 E SEVENTH ST STE 1510 CINCINNATI, OH 45202 jkylar@bkllawfirm.com
KATHERINE A MCDOWELL (C) MCDOWELL RACKNER & GIBSON PC 419 SW 11TH AVE., SUITE 400 PORTLAND, OR 97205 katherine@mcd-law.com	SAMUEL L ROBERTS (C) HUTCHINSON COX COONS ORR & SHERLOCK 777 HIGH ST STE 200 PO BOX 10886 EUGENE, OR 97440 sroberts@eugenelaw.com

<p>TRACY RUTTEN LEAGUE OF OREGON CITIES 1201 COURT STREET NE SUITE 200 SALEM, OR 97301 trutten@orcities.org</p>	<p>IRION A SANGER (C) SANGER LAW PC 1117 SE 53RD AVE PORTLAND, OR 97215 irion@sanger-law.com</p>
<p>DONALD W SCHOENBECK (C) REGULATORY & COGENERATION SERVICES INC 900 WASHINGTON ST STE 780 VANCOUVER, WA 98660-3455 dws@r-c-s-inc.com</p>	<p>NONA SOLTERO FRED MEYER STORES/KROGER 3800 SE 22ND AVE PORTLAND, OR 97202 nona.soltero@fredmeyer.com</p>
<p>DOUGLAS C TINGEY PORTLAND GENERAL ELECTRIC 121 SW SALMON 1WTC1301 PORTLAND, OR 97204 doug.tingey@pgn.com</p>	<p>JAY TINKER PORTLAND GENERAL ELECTRIC 121 SW SALMON ST 1WTC-0306 PORTLAND, OR 97204 pge.opuc.filings@pgn.com</p>
<p>MICHAEL T WEIRICH (C) PUC STAFF--DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM OR 97301-4096 michael.weirich@state.or.us</p>	

Dated December 28, 2017.



Katie Savarin
Coordinator, Regulatory Operations

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM _____

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting
Related to Federal Tax Act.

**APPLICATION FOR DEFERRED
ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power submits this application to the Public Utility Commission of Oregon (Commission) for an order authorizing PacifiCorp to defer the expected impacts associated with the income tax provisions enacted by the federal “To provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018,” H.R. 1 (Tax Act) signed into law on December 22, 2017.

PacifiCorp requests to begin deferral of these amounts until the change is included in PacifiCorp’s base rates.¹

II. NOTICE

Communications regarding this application should be addressed to:

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

Matthew D. McVee
Chief Regulatory Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: matthew.mcvee@pacificorp.com

¹ In accordance with OAR 860-027-0300, PacifiCorp will file for reauthorization of the deferral, as necessary.

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

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 may be directed to Natasha Siores, Manager, Regulatory Affairs, at 503-813-6583.

III. BACKGROUND

The Tax Act contains provisions that will result in comprehensive changes to PacifiCorp's financial statements. The most notable impact is the reduction in the federal corporate income tax rate from 35 percent to 21 percent. In addition, the change in the federal corporate income tax rates results in excess deferred income tax liabilities, which must be reversed. PacifiCorp is continuing to analyze the provisions of the Tax Act to determine other impacts to be considered in this deferral application.

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests authorization under ORS 757.259(2)(e) to defer the impacts related to implementation of the Tax Act. As required by OAR 860-027-0300(3), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp is requesting to defer the expected impacts associated with the income tax provisions enacted by the Tax Act that was signed into law on December 22, 2017. The company expects to defer for future credit to customers, amounts related to the reduction in

the federal corporate income tax rate and related changes in deferred income tax liabilities. PacifiCorp is continuing to assess and evaluate any other impacts of the Tax Act.

B. Reasons for Deferral

As discussed above, PacifiCorp requests deferral of the expected impacts associated with the income tax provisions enacted by the Tax Act. PacifiCorp seeks to match the costs borne and benefits received by customers by way of the deferred accounting sought in this application.

C. Proposed Accounting

If this application is approved, PacifiCorp proposes to record deferred amounts related to the reduction in federal corporate income tax rate in FERC Account 229—Accumulated Provision for Rate Refund with the corresponding entry to FERC Account 449.1—Provision for Rate Refunds and related income tax effects to FERC Account 190—Accumulated Deferred Income Taxes, FERC Account 236—Taxes Accrued, FERC Account 409.1—Income Taxes – Utility Operating Income and FERC Account 411.1—Provision for Deferred Income Taxes – Credit, Utility Operating income. If this application is denied, the collection of revenue requirement at the higher tax rate will remain in general business revenues (FERC Accounts 440—Residential Sales, 442—Commercial and Industrial Sales, and 444—Public Street and Highway Lighting). In addition, if this application is approved, PacifiCorp proposes to record deferred amounts related to excess deferred income tax liabilities in FERC Account 254—Other Regulatory Liabilities and FERC Account 182—Other Regulatory Assets with offsetting amounts to FERC Account 190—Accumulated Deferred Income Taxes, FERC Account 281—Accumulated Deferred Income Taxes – Accelerated Amortization, FERC Account 282—Accumulated Deferred Income Taxes – Other Property, and FERC Account 283—Accumulated Deferred Income Taxes – Other. If

this application is denied, the changes related to excess deferred income tax liabilities will be recorded in FERC Account 190—Accumulated Deferred Income Taxes, FERC Account 281—Accumulated Deferred Income Taxes – Accelerated Amortization, FERC Account 282—Accumulated Deferred Income Taxes – Other Property, FERC Account 283—Accumulated Deferred Income Taxes – Other, FERC Account 410.1—Provisions for Deferred Income Taxes, Utility Operating Income, and FERC Account 411.1—Provision for Deferred Income Taxes – Credit, Utility Operating income.

D. Estimate of Amounts

PacifiCorp is continuing to analyze the provisions of the Tax Act to determine and quantify the impacts. An estimate of the total expected benefit is not available at this time.

E. Notice

A copy of the Notice of Application and a list of persons served with the notice are attached as Exhibit A to this application.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission authorize the company to defer the expected impacts associated with income tax provisions enacted by the federal Tax Act.

Respectfully submitted this 28th day of December, 2017.

By:



Matthew D. McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power

Exhibit A

EXHIBIT A

NOTICE

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM _____

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Reauthorization of Deferred
Accounting Related to Federal Tax Act.

**NOTICE OF
APPLICATION FOR DEFERRED
ACCOUNTING**


On December 28, 2017, PacifiCorp d/b/a Pacific Power filed an application with the Public Utility Commission of Oregon (Commission) for an order authorizing deferred accounting treatment for Oregon-allocated amounts related to the expected impacts associated with the income tax provisions enacted by the federal tax act that was signed into law on December 22, 2017. 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
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
E-mail: oregondockets@pacificorp.com

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

Respectfully submitted on December 28, 2017.

By:



Matthew McVee
Chief Regulatory Counsel
PacifiCorp d/b/a Pacific Power