

November 2, 2020

VIA ELECTRONIC FILING

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

**RE: RE 185—PacifiCorp’s COVID-19 Costs, Savings, and Benefits Quarterly Report—
First Report for the Period March 1, 2020 through September 30, 2020**

In Docket UM 2114, Order 20-324, the Public Utility Commission of Oregon (Commission) authorized Staff and the affected utilities and stakeholders to execute three stipulations incorporating the three term sheets (Energy, Water, and Telecommunications) that were developed during the Commission's investigation into the Effects of the COVID-19 Pandemic on Utility Customers. The Stipulated Agreement on the Effects of the COVID-19 Pandemic on Energy Utility Customers (Energy Term Sheet) is expected to be approved by the Commission on November 3, 2020. In compliance with the Energy Term Sheet, PacifiCorp, d/b/a Pacific Power (PacifiCorp or Company) submits this first quarterly report itemizing the Company’s costs, savings, and benefits resulting from COVID-19. This first report covers the period March 1, 2020 through September 30, 2020.

Bad Debt Expense

The Company is specifically tracking bad debt expense (FERC account 904). The Company calculates a provision for estimated bad debt expense on a monthly basis using historical write-offs (net of recoveries) as a percentage of the respective aging bucket. Those percentages are then applied to current aging buckets. The results of this monthly provision exercise, coupled with actual write-offs and recoveries, represents total bad debt expense. The Company estimates that Oregon bad debt expense has increased by \$2,362,938 through September 30, 2020, due to the impacts of COVID-19. Please refer to Attachment A to this quarterly report for details. Attachment 1 provides a recap of the Oregon Accounts Receivable Balances and Oregon Bad Debt Expense.

Waived Late Fees

With respect to waived late fees, the Company estimates it has waived approximately \$4 million of late fees for Oregon customers through September 30, 2020. However, the term sheet requires the calculation of waived late fees as follows: “The amount of deferred late fees recorded in any year, including any late payment fees that were assessed prior to any suspension in that year, if applicable, shall not exceed the amount of late payment fees included in the Commission’s final order from the utility’s last general rate case.” Using this methodology, the estimated amount of waived late fees is approximately \$2 million.

Waived Reconnection Fees

The disconnection moratorium began on March 13, 2020. A handful of customers were disconnected for non-payment prior to the moratorium date, and the Company waived the reconnection charges to eliminate financial barriers for those customers. Power was restored to 34 customers. The waived reconnect charges total \$238 at \$7 per customer.

Additional Costs and Savings

In addition, the Company has identified the following additional costs and savings directly related to the Company's actions to ensure safe working conditions for employees (amounts are through September 30, 2020, and are on a total-company basis):

- Increased labor and facility costs to enable social distancing - \$2,234,464;
- Increased costs for personal protective equipment, cleaning supplies and contact tracing - \$972,253
- Increased technology costs to enable employees to work from home - \$503,870;
- Reduced employee expenses related to travel and training - (\$5,063,837)

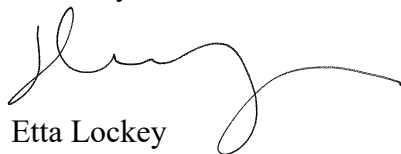
It is respectfully requested that all formal data requests regarding this matter be addressed to:

By email (preferred): datarequest@pacificorp.com

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

Please direct any informal questions about this filing to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,



Etta Lockey
Vice President, Regulation

Enclosures

Attachment A

Oregon Accounts Receivable Balances

	Sum of Days 0 to 30	Sum of Days 31 to 60	Sum of Days 61 to 90	Sum of Days 91 to 150	Sum of Days 151 to 270	Sum of > 270 Days	Total
9/30/20	\$ 57,934,407.93	\$ 10,931,892.02	\$ 5,497,907.73	\$ 7,106,045.12	\$ 9,158,707.48	\$ 1,604,081.77	\$ 92,233,042.05
% of total	62.8%	11.9%	6.0%	7.7%	9.9%	1.7%	100%
9/30/19	\$ 52,186,415.13	\$ 9,586,502.44	\$ 3,148,957.43	\$ 2,805,429.20	\$ 2,995,396.90	\$ 1,504,652.76	\$ 72,227,353.85
% of total	72.3%	13.3%	4.4%	3.9%	4.1%	2.1%	100%
Increase 2020 vs 2019	11.0%	14.0%	74.6%	153.3%	205.8%	6.6%	27.7%
Historic % of aging bucket written off	0.5%	3.1%	8.1%	18.3%	43.2%	30.5%	NA

Oregon Bad Debt Expense

2020	January	February	March	April	May	June	July	August	September	Total YTD	Mar - Sept (months fully impacted by COVID)
Bad Debt Provision	\$ 123,147	\$ 71,634	\$ 762,598	\$ 287,910	\$ 748,225	\$ 444,218	\$ 887,564	\$ 390,913	\$ 494,325	\$ 4,210,534	\$ 4,015,753
Write-offs	573,135	482,602	700,468	491,885	377,436	529,639	693,693	626,627	526,424	\$ 5,001,909	\$ 3,946,172
Recoveries	(214,300)	(243,476)	(281,360)	(231,414)	(252,940)	(320,501)	(237,263)	(229,135)	(221,951)	\$ (2,232,340)	\$ (1,774,564)
Oregon total Bad Debt Expense	\$ 481,982	\$ 310,760	\$ 1,181,706	\$ 548,381	\$ 872,721	\$ 653,356	\$ 1,343,994	\$ 788,405	\$ 798,798	\$ 6,980,103	\$ 6,187,361
YTD Revenue										\$ 917,800,000	
Bad debt as a % of Revenue										0.76%	
Average 2010 - 2019 (informational purposes)										0.43%	

2019	January	February	March	April	May	June	July	August	September	Total YTD
Bad Debt Provision	\$ 236,602	\$ 311,514	\$ (22)	\$ 172,840	\$ 8,803	\$ (85,366)	\$ (192,401)	\$ (33,191)	\$ 202,420	\$ 621,199
YTD Write-offs										\$ 6,096,181
YTD Recoveries										\$ (2,055,015)
Oregon total Bad Debt Expense										\$ 4,662,365
YTD Revenue										\$ 934,500,000
Bad debt as a % of Revenue										0.50%

Incremental COVID-19 impact	
\$ 6,556,153	Amount currently being collected in rates (per year)
\$ 3,824,423	Pro-rated 7 months (3/1 - 9/30)
\$ 6,187,361	Actual bad debt 3/1/20 - 9/30/20
\$ 2,362,938	Incremental bad debt expense for Oregon quarterly report