

December 14, 2022

VIA ELECTRONIC FILING

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

Re: UM _____PacifiCorp's Application for Approval of Deferred Accounting for Costs Related to the Demand Response Programs Approved in Schedule 106

PacifiCorp d/b/a Pacific Power submits for filing its Application for Approval of Deferred Accounting for Costs Related to the Demand Response Programs Approved in Schedule 106.

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

Oregon Dockets PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: oregondockets@pacificorp.com Ajay Kumar Senior Attorney PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: ajay.kumar@pacificorp.com

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 Street, Suite 2000 Portland, OR 97232

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

Sincerely,

tolla

Matthew McVee Vice President, Regulatory Policy and Operations

Enclosures

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM _____

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting for Costs Related to the Demand Response Programs Approved in Schedule 106.

APPLICATION FOR DEFERRED ACCOUNTING

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon

Administrative Rule (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or

Company) submits this application to the Public Utility Commission of Oregon

(Commission) for an order authorizing the Company to establish and maintain a

balancing account to record the deferral of program costs related to demand response

programs approved by the Commission under Tariff Schedule 106. PacifiCorp

respectfully requests authorization for the 12 months beginning on January 1, 2023.

II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

Oregon Dockets PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: <u>oregondockets@pacificorp.com</u> Ajay Kumar Senior Attorney PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: <u>ajay.kumar@pacificorp.com</u>

In addition, the Company 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 Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

III. BACKGROUND AND SUMMARY OF REQUEST

In this Application, PacifiCorp seeks Commission authorization to establish and maintain a balancing account for all demand response programs approved by the Commission under Schedule 106. PacifiCorp's Schedule 106 enables multiple demand response programs that are approved by the Commission, in which eligible customers can participate. These voluntary programs are part of the continuing implementation of resources identified in PacifiCorp's integrated resource plans (IRPs), including the Company's 2019 IRP. To date, the Commission has approved two demand response programs under Schedule 106. On May 5, 2022, the Commission approved an irrigation demand response program under Schedule 106.¹ On November 16, 2022, the Commission approved a commercial and industrial demand response program under Schedule 106.² The Company will seek amortization of the deferred amount through Schedule 291 in a future Commission proceeding.³

PacifiCorp is currently tracking costs associated with the irrigation demand response program under the application for deferred accounting approved in UM 2158. For

¹ On May 5, 2022, the Commission issued an order adopting Staff's recommendation to approve PacifiCorp's advice filing 22-004.

² On October 15, 2022, the Commission adopted Staff's recommendation to approve PacifiCorp's advice filing 22-011.

³ In advice filing 22-004 and 22-001, the Company indicated its intent to utilize Schedule 291 (System Benefit Charge) for the recovery of costs associated with both the Irrigation and Commercial and Industrial demand response programs.

administrative efficiency, PacifiCorp recommends consolidating the UM 2158 deferral into this deferral by transferring all unamortized amounts previously deferred through under UM 2158 through December 31, 2022, to the new deferral requested in this docket. This will ensure that all costs approved under Schedule 106 demand response programs are tracked under a single deferral moving forward.

IV. OAR 860-027-0300(3) REQUIREMENTS

A. Description of Utility Expense

PacifiCorp respectfully requests authorization under ORS 757.259(2)(e) to establish and maintain a balancing account to record costs and revenues associated with implementing demand response programs approved by the Commission under Schedule 106. PacifiCorp anticipates that it will incur costs associated with the irrigation, commercial and industrial, and other demand response programs that may be approved by the Commission under Schedule 106. These costs will include vendor costs, customer incentives, customer outreach/advertising, evaluation, measurement and verification, and utility staffing directly attributable to managing these programs.

B. Reasons for Deferral

ORS 757.259(2)(e) allows the deferral of utility expenses or revenues where necessary to match appropriately the costs borne by and benefits received by customers. This request seeks to track the costs associated with its demand response programs for recovery through Schedule 291 in a future Commission proceeding.

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C. Proposed Accounting

If this application is approved, PacifiCorp proposes to record deferred amounts to Federal Energy Regulatory Commission account 182.3, Other Regulatory Assets. This account will accrue interest at the Commission-authorized rate for deferred accounts.

D. Estimate of Amounts

The following table provides an estimate of the costs that will be deferred under the deferral requested in this application through 2026. This table also provides irrigation demand response program costs tracked under the UM 2158 deferral. PacifiCorp will consolidate the deferral of the amounts outstanding under the UM 2158 deferral into the deferral account requested in this application. The irrigation program filed and approved under Advice No. 22-004 (successor program) replaced the irrigation pilot program filed and approved under Advice No. 16-04. The two programs have a similar focus; providing demand response incentives to irrigation customers in return for curtailment of their load during Company-initiated events. Customers enrolled in the pilot remained enrolled in the successor program. Both programs are designed around similar outcomes; providing flexible load for the Company and to simplify tracking.

Program	2021*	2022**	2023	2024	2025	2026	Totals
Irrigation							
Pilot	\$302,869	\$81,785					\$384,654
Irrigation		\$1,767,241	\$1,860,915	\$2,238,451	\$1,942,257	\$1,999,190	\$9,808,054
Commercial							
& Industrial		\$3,293,417	\$3,906,166	\$3,891,633	\$3,891,633	\$3,875,663	\$18,858,512
Total	\$302,869	\$5,142,443	\$5,767,081	\$6,130,084	\$5,833,890	\$5,874,853	\$29,051,220

* Year-end balance

** Irrigation Pilot is sum of March, April, May 2022. 2022 irrigation is ADV 22-004 forecast - June thru Oct costs

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 establish and maintain a balancing account to defer costs associated with demand response program approved by the Commission under Schedule 106 for the 12 months beginning January 1, 2023. For administrative efficiency, PacifiCorp will transfer all unamortized amounts previously deferred under UM 2158 through December 31, 2022, to the new deferral requested in this docket. PacifiCorp will seek recovery of these deferred costs through Schedule 291 in a future Commission. proceeding.

Respectfully submitted this 14th day of December 2022.

By:

Hjun tas

Ajay Kumar Attorney for PacifiCorp d/b/a Pacific Power

Exhibit A

Notice of Application

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM _____

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting for Related to the Demand Response Programs Approved in Schedule 106

NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING

On December 14, 2022, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) filed an application with the Public Utility Commission of Oregon (Commission) for an order authorizing deferred accounting to establish and maintain a balancing account to record the deferral of program costs related to demand response programs approved by the Commission under Tariff Schedule 106. The Company also proposes in its application to cease tracking the irrigation demand response program costs under the existing deferral authorized in docket UM 2158 and instead track those costs under the new deferral requested in this docket. The authorization 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 Email: <u>oregondockets@pacificorp.com</u>

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

Respectfully submitted on December 14, 2022.

Jun tas

Ajay Kumar Senior Attorney

By:

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of **PacifiCorp's Application for Approval of Deferred Accounting** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

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Dated this 14th day of December 2022.

Santiago Gutierrez Coordinator, Regulatory Operations

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of **PacifiCorp's Application for Approval of Deferred Accounting** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

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Service List UM 2158

Dated this 14th day of December, 2022.

Santiago Gutierrez Coordinator, Regulatory Operations