

April 5, 2022

### VIA ELECTRONIC FILING

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

RE: UE 399, UM 1964, UM 2134, UM 2142, UM 2167, UM 2185, UM 2186, UM 2220 — PacifiCorp's Combined Reply Supporting and Opposing Motions to Consolidate

PacifiCorp d/b/a Pacific Power submits for filing its Combined Reply Supporting and Opposing Motions to Consolidate in the above-referenced dockets.

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

Sincerely,

Shelley McCoy

Director, Regulation

Shilly McCory

Enclosure

#### BEFORE THE OREGON PUBLIC UTILITY COMMISSION

# UE 399, UM 1964, UM 2134, UM 2142, UM 2167, UM 2185, UM 2186, UM 2201, UM 2220

In the Matters of

PACIFICORP d/b/a PACIFIC POWER's Request for a General Rate Revision (UE 399),

Deferred Accounting for PacifiCorp's Transportation Electrification Program (UM 1964),

Deferred Accounting for Cedar Springs 2 Costs (UM 2134),

Deferred Accounting for Cholla Unit 4 Costs (UM 2142),

Deferred Accounting for Pryor Mountain Renewable Energy Credits (RECs) Revenues (UM 2167),

Deferred Accounting for Non-Contributory Defined Benefit Pension Plan Costs (UM 2185),

Deferred Accounting for TB Flats Wind Project Costs (UM 2186),

ALLIANCE OF WESTERN ENERGY CONSUMERS's

Application for an Accounting Order to Defer PacifiCorp Fly Ash Revenues (UM 2201), and

PACIFICORP d/b/a PACIFIC POWER's Application for Approval of Deferred Accounting for Operating Costs and Capital Investments Made to Implement PacifiCorp's Distribution System Plan (UM 2220).

PACIFICORP COMBINED REPLY SUPPORTING AND OPPOSING MOTIONS TO CONSOLIDATE

#### I. INTRODUCTION

PacifiCorp d/b/a Pacific Power (PacifiCorp) respectfully requests the Public Utility
Commission of Oregon (Commission) grant PacifiCorp's unopposed motion to consolidate and
deny the Oregon Citizens' Utility Board's (CUB) cross-motion. PacifiCorp does not oppose the
motion to consolidate from the Alliance of Western Energy Consumers (AWEC). PacifiCorp
reserves the right to contest the merits of any of the consolidated issues, including issues raised
by Commission Staff in its Corrected Staff Response to PacifiCorp's Motion to Consolidate.

### II. ARGUMENT

A. The Commission should grant PacifiCorp's unopposed motion to consolidate.

No parties contest PacifiCorp's motion to consolidate docket UE 399 with dockets UM 1964, 2134, 2142, 2167, 2185, and 2186. To promote judicial and administrative efficiency, PacifiCorp respectfully requests the Commission grant the motion to ensure that the deferral dockets are timely resolved with docket UE 399.<sup>1</sup>

B. PacifiCorp does not oppose AWEC's cross-motion to consolidate UM 2201 with UE 399.

AWEC requests the Commission, in addition to granting PacifiCorp's motion, consolidate docket UE 399 with docket UM 2201, AWEC's Application for an Accounting Order Requiring PacifiCorp to Defer Fly Ash Revenues.<sup>2</sup>

AWEC argues that consolidation of docket UM 2201 is proper because it will permit the Commission to resolve both AWEC's requested fly ash deferral in docket UM 2201, as well as PacifiCorp's fly ash revenue adjustment in UE 399, that requests a revenue adjustment for

<sup>2</sup> AWEC Motion to consolidate at 1 (Mar. 30, 2022).

<sup>&</sup>lt;sup>1</sup> OAR 860-001-0600; *In re Portland General Electric and In re PacifiCorp*, Docket Nos. UA 37 and UA 41, Order No. 92-557 (Apr. 16, 1992) (consolidating dockets when reasonable and to enhance efficiency).

revenue to reflect recently amended contract terms.<sup>3</sup> AWEC represents that consolidation would "clarify and simplify" the issues presented in both dockets.<sup>4</sup> While PacifiCorp does not oppose AWEC's motion, PacifiCorp notes that it retains the concerns that were identified in PacifiCorp's answer which was previously filed in docket UM 2201.<sup>5</sup> PacifiCorp's non-opposition to AWEC's motion should not be construed as acceptance that the fly-ash revenues identified in AWEC's application are appropriate for deferral. PacifiCorp may continue to contest this issue through the course of this proceeding.

C. The Commission should deny CUB's cross-motion to consolidate UM 2220 with UE 399.

CUB requests the Commission further consolidate docket UE 399 with docket UM 2220, PacifiCorp's Application for Deferred Accounting of Distribution System Plan (DSP) Costs and Capital Investments.<sup>6</sup>

In docket UM 2220, PacifiCorp requested deferred accounting to track operating costs and expenditures to implement Part I of PacifiCorp's DSP.<sup>7</sup> The Company requests a deferral for estimated DSP costs and expenditures over a five-year implementation period, consistent with the three cost alternatives required by Order 20-485.<sup>8</sup> The application also describes PacifiCorp's near-term DSP activities including, among others, outlining stakeholder outreach, capacity planning, and pilot projects it intends to pursue.<sup>9</sup>

<sup>&</sup>lt;sup>3</sup> *Id.* at 2–3 (citing Docket No. UE 399, PAC/1000 Cheung/16–17).

<sup>&</sup>lt;sup>4</sup> Id. (citing Docket Nos. UP 415 and UE 219 Ruling (Jan. 26, 2021).

<sup>&</sup>lt;sup>5</sup> In the Matter of Alliance of Western Energy Consumers, Application for an Accounting Order Requiring PacifiCorp to Defer Fly Ash Revenues, Docket No. UM 2201, PacifiCorp's Answer (Nov. 22, 2021).

<sup>&</sup>lt;sup>6</sup> CUB's Response at 2 (Mar. 30, 2022).

<sup>&</sup>lt;sup>7</sup> In the Matter of PacifiCorp, Application for DSP Phase I Deferral, Docket No. UM 2220, Application at 2 (Jan. 3, 2022).

<sup>&</sup>lt;sup>8</sup> *Id.* at 4-6.

<sup>&</sup>lt;sup>9</sup> *Id.* at 3.

CUB argues that because general distribution system operating costs and expenditures are typically accounted for in general rate cases, that consolidation of the specific DSP Part I deferral from docket UM 2220 with docket UE 399 is reasonable to resolve both dockets.<sup>10</sup>

PacifiCorp respectfully disagrees. Primarily, CUB's policy concerns are not yet ripe. The Commission is well aware of the outstanding policy, procedural, and substantive issues regarding DSP costs, expenditures, and planning processes. In the most recent Commission Order, while PacifiCorp's Phase 1 Plan "represents noteworthy advancement of the Company's distribution planning practices towards the drivers and long-term goals identified during the development of the Guidelines in 2020," the Commission Staff also noted that it "sees opportunity for a more well-articulated, cohesive Long-term Plan, in future filings." The Commission envisions a multi-year, collaborative stakeholder process, where the Commission will have "to account for still-to-come learnings from the Part Two filings, as well as outcomes currently being determined, or that will be determined, by the nascent policies and processes discussed previously." Appropriate rate recovery of DSP Phase 1 costs and expenditures should occur after resolution of dockets UM 2196–2198—proceedings that will reasonably address various issues regarding PacifiCorp's Phase 1 and 2 DSP costs, expenditures, and planning processes.

Second, docket UE 399 is the wrong vehicle. PacifiCorp has not requested a revenue requirement adjustment for DSP Phase 1 costs or expenditures in docket UE 399.<sup>15</sup> Nor are

<sup>&</sup>lt;sup>10</sup> CUB's Response at 4 ("Even if no DSP-related costs are included in UE 399's test year, CUB believes that the Commission would benefit from a policy discussion regarding which distribution-related costs should be tracked and recovered in UM 2220, and which should be recovered through the future and current GRCs.").

<sup>&</sup>lt;sup>11</sup> E.g., In re Distribution System Plans Part One, Docket Nos. UM 2196–2198, Order 22-083 (Mar. 11, 2022) (envisioning a multi-year, collaborative stakeholder process to address the various issues).

<sup>&</sup>lt;sup>12</sup> *Id.* at 21-22.

<sup>&</sup>lt;sup>13</sup> *Id.* at 18.

<sup>&</sup>lt;sup>14</sup> *Id.* at 31.

<sup>&</sup>lt;sup>15</sup> PAC/1000, Cheung/34:12 (citing UM 1964).

Phase 1 costs known and measurable for PacifiCorp's forecasted test year, beyond the broad range of estimates included in docket UM 2220. Consolidating docket UM 2220 with docket UE 399 unnecessarily broadens the scope of the general rate case (to address Phase 1 rate recovery that PacifiCorp has not requested), and duplicates proceedings (by raising policy issues that are more appropriately addressed in dockets UM 2196–2198, and docket UM 2220).

While the Commission has broad discretion to consolidate dockets, PacifiCorp requests the Commission decline to do so regarding docket UM 2220.

## III. CONCLUSION

PacifiCorp respectfully requests the Commission grant PacifiCorp's and deny CUB's, respective motions to consolidate.

Respectfully submitted this 5th day of April, 2022.

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