

July 28, 2017

VIA ELECTRONIC FILING

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

Attn: Filing Center

RE: UM 1102(14)—Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants

PacifiCorp d/b/a Pacific Power encloses for filing in the above-referenced docket its Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants.

If you have any questions, please contact Natasha Siores at (503) 813-6583.

Sincerely,

Etta Lockey

Vice President, Regulation

Enclosures

CERTIFICATE OF SERVICE

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

UE 263

OPUC Dockets Citizens' Utility Board of Oregon 610 SW Broadway, Suite 400 Portland, OR 97205 dockets@oregoncub.org

Donald W Schoenbeck (C) Regulatory & Cogeneration Services Inc. 900 Washington St., Suite 780 Vancouver, WA 98660-3455 dws@r-c-s-inc.com

Michael T. Weirich (C)
Department of Justice
Business Activities Section
1162 Court St. NE
Salem, OR 97301-4096
Michael.weirch@state.or.us

Jody Kyler Cohn Boehm, Kurtz & Lowry 36 E Seventh ST STE 1510 Cincinnati, OH 45202 jkyler@bkllawfirm.com

Marianne Gardner (C)
Oregon Public Utility Commission
PO Box 1088
Salem, OR 97308-1088
marianne.gardner@state.or.us

Douglas C. Tingey Portland General Electric 121 SW Salmon 1WTC1301 Portland, OR 97204 Doug.tingey@pgn.com Robert Jenks (C) Citizens' Utility Board of Oregon 610 SW Broadway, Suite 400 Portland, OR 97205 Bob@oregoncub.org

Irion A. Sanger (C) Sanger Law PC 1117 SE 53rd Ave Portland, OR 97215 irion@sanger-law.com

Kevin Higgins
Energy Strategies
215 State St., Suite 200
Salt Lake City, UT 84111-2322
Khiggins@energystrat.com

Oregon Dockets
Pacific Power
825 NE Multnomah St., Suite 2000
Portland, OR 97232
oregondockets@pacificorp.com

Katherine A. McDowell (C) McDowell Rackner & Gibson PC 419 SW 11th Avenue, Suite 400 Portland, OR 97205 Katherine@mcd-law.com

Greg Bass
Noble Americas Energy Solutions, LLC
401 West A Street, Suite 500
San Diego, CA 92101
gbass@noblesolutions.com

Kurt J. Boehm
Jody Kyler Cohn
Boehm Kurtz & Lowry
36 E. Seventh Street, Suite 1510
Cincinnati, OH 45202
kboehm@bkllawfirm.com
jkyler@bkllawfirm.com

Gregory M. Adams Richardson Adams, PLLC PO Box 7218 Boise, ID 83702 greg@richardsonadams.com

Samuel L. Roberts (C)
Hutchinson, Cox, Coons, Orr & Sherlock,
P.C.
PO Box 10886
Eugene, OR 97440
sroberts@eugenelaw.com

Jay Tinker
Portland General Electric
121 SW Salmon 1WTC-0306
Portland, OR 97204
Pge.opuc.filings@pgn.com

Tracy Rutten
League of Oregon Cities
1201 Court Street NE, Suite 200
Salem, OR 97301
trutten@orcities.org

Nona Soltero Fred Meyer Stores/Kroger 3800 SE 22nd Avenue Portland, OR 97202 Non.soltero@fredmeyer.com

Steve W. Chriss (C) Wal-Mart Stores, Inc. 2001 SE 10th Street Bentonville, AR 72716 stephen.chriss@wal-mart.com Sarah E. Kamman (C)
Pacific Power
825 NE Multnomah ST STE 1800
Portland, OR 97232
sarah.kamman@pacificorp.com

Dated this 28th of July, 2017.

Jennmer Angell () Supervisor, Regulatory Operations

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1102(14)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants.

REAUTHORIZATION OF DEFERRED ACCOUNTING

Under ORS 757.259 and OAR 860-027-0300, PacifiCorp, d/b/a Pacific Power (PacifiCorp), files this application (Application) with the Public Utility Commission of Oregon (Commission) for an order reauthorizing PacifiCorp to record and defer, on an ongoing basis, the cost of intervenor funding grants under ORS 757.259(3). PacifiCorp respectfully requests reauthorization for a 12-month period commencing August 1, 2017.

In support of this Application, and in accordance with OAR 860-027-0300(3) and (4), PacifiCorp states:

Α. **PacifiCorp**

PacifiCorp is a public utility in the state of Oregon and is subject to the jurisdiction of the Commission with regard to rates, service, and accounting practices. PacifiCorp also provides retail electricity service in the states of California, Idaho, Utah, Washington, and Wyoming.

В. **Statutory Authority**

This Application is filed in accordance with ORS 757.259, which authorizes the deferral of expenses or revenues of a public utility for later incorporation in rates. ORS 757.259(3) allows for deferral of amounts provided in accordance with a financial assistance agreement entered into under ORS 757.072.

C. **Communications**

Communications regarding this Application should be addressed to:

Matthew McVee PacifiCorp Oregon Dockets

Chief Regulatory Counsel **PacifiCorp**

PacifiCorp 825 NE Multnomah, Suite 2000 825 NE Multnomah, Suite 2000

Portland, OR 97232 Portland, OR 97232

Telephone: (503) 813-6583 Telephone: (503) 813-5585

E-mail: oregondockets@pacificorp.com E-mail: matthew.mcvee@pacificorp.com

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

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

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah, Suite 2000

Portland, Oregon 97232

Informal questions may be directed to Natasha Siores at (503) 813-6583.

D. **Basis for Application**

1. **Statutory Authority**

ORS 757.072 authorizes the Commission to approve an agreement between an energy utility and a customer organization for intervenor funding. ORS 757.259(3) allows a utility to recover intervenor funding in rates through deferred accounting:

> Upon request of the public utility, the commission by order shall allow deferral of amounts provided as financial assistance under an agreement entered into under ORS 757.072 for later incorporation in rates.

Deferred amounts under ORS 757.259(3) are not subject to the percentage of gross revenues limitation on amortization or other provisions of subsections (5), (6), (7), and (8) of ORS 757.259.

2. Commission Approval of the Intervenor Funding Agreement and the **Multi-State Process Intervenor Funding Agreement**

On July 2, 2003, pursuant to section 2 of the Intervenor Funding Act, the Commission issued Order No. 03-388 in docket AR 462, which, among other things, approved the Intervenor Funding Agreement among PacifiCorp, Portland General Electric Company, Northwest Natural Gas Company, Northwest Industrial Gas Users, Citizens' Utility Board of Oregon (CUB), and Industrial Customers of Northwest Utilities (ICNU), dated February 5, 2003. On December 19, 2007, the Commission issued Order No. 07-564 in docket UM 1357 approving the amended and restated Intervenor Funding Agreement that extended intervenor funding until December 31, 2012. On November 20, 2012, the Commission issued Order No. 12-452 in docket UM 1357 approving the second amended and restated Intervenor Funding Agreement (the Intervenor Funding Agreement) that extended intervenor funding until December 31, 2017. The Intervenor Funding Agreement sets forth the amount of funding to be contributed by each utility and the procedures for budget submittals by intervenors, Commission approval of budgets, and the payment of grants by utilities. Additionally, the Intervenor Funding Agreement allows intervenors to request grants at any time during the calendar year.

In 2012, the Commission issued Order Nos. 12-110 and 12-122 in docket UM 1586 approving the Multi-State Process Intervenor Funding Agreement (MSP Funding Agreement) between PacifiCorp, CUB and ICNU. This agreement provides funding for CUB's and ICNU's participation in ongoing efforts to address how system costs are apportioned among PacifiCorp's six-state territory. On February 7, 2017, the Commission issued Order No. 17-028 in docket UM 1586 approving the amended and restated MSP Funding Agreement that extended the intervenor funding until December 31, 2018. The

MSP Funding Agreement provides the amount of funding to be provided and procedures for budgets, approvals and payment of intervener funding grants.

Ε. **Request for Reauthorization of Deferred Accounting**

Under the instant docket, the Commission issued a series of orders authorizing PacifiCorp's deferral of Intervenor Funding Agreement costs. The Commission originally authorized deferral of the Intervenor Funding Agreement costs beginning September 17, 2003, in Order No. 03-560. The Commission has reauthorized this deferral annually, most recently in Order No. 17-022, which reauthorized the deferral through July 31, 2017. PacifiCorp seeks reauthorization of this deferral for a 12-month period beginning August 1, 2017.

F. **Amounts Subject to Deferral**

PacifiCorp anticipates that the maximum amounts to be deferred during the 12-month period beginning August 1, 2017 will be as shown below.

Intervenor Funding Agreement	
CUB Fund	\$ 66,125
Preauthorized Matching Fund	\$ 66,125
Issue Fund	\$143,750
Total	\$276,000
MSP Funding Agreement CUB	\$ 45,000
	. ,
ICNU	\$ 45,000
Total	<u>\$ 90,000</u>

¹ See Order No. 05-862 (entered July 18, 2005), Order No. 06-251 (entered May 25, 2006), Order No. 07-268 (entered June 11, 2007), Order No. 08-324 (entered June 13, 2008), Order No. 09-304 (entered August 3, 2009), in Order No. 10-323 (entered August 17, 2010), Order No. 11-388 (entered September 30, 2011), Order No. 12-364 (entered September 25, 2012), Order No. 13-294 (entered August 20, 2013), Order No. 14-299 (entered September 2, 2014) and Order No. 15-268 (entered September 8, 2015).

G. Accounting

PacifiCorp proposes to record payment of Intervenor Funding Grants in Account 182.3 – Other Regulatory Assets. In the absence of approval of deferred accounting, PacifiCorp would expense the amounts through FERC account 928 – Regulatory Commission Expenses.

H. **Description and Explanation of Entries in the Deferred Account to Date**

Attachment B provides the most recent entries in the deferred account to date of the Application. These entries are for amounts paid to intervenors as ordered by the Commission per the Intervenor Funding Agreement adopted by Order No. 12-452 and the MSP Funding Agreement adopted by Order No. 17-028.

T. **Reasons for Continuation of Deferred Accounting**

PacifiCorp requests the continuation of deferred accounting in order to seek future recovery of amounts previously approved in this docket.

J. **Use of Sub-accounts**

Ordering paragraph 2 of Order No. 10-323, docket UM 1102, requires PacifiCorp to separately account for each type of grant. Section 4.2 of the MSP Funding Agreement also requires PacifiCorp to separately account for each type of MSP Funding grant. PacifiCorp tracks intervenor funding grants by grant type through different internal order numbers. Issue fund grant amounts paid to ICNU are tracked through internal order number 313374. Issue fund grant amounts paid to CUB are tracked through internal order number 313431. Matching fund grant amounts paid to ICNU are tracked through internal order number 313430. Matching fund grant amounts paid to CUB are tracked through internal order number 313429. MSP fund grant amounts paid to CUB and ICNU are tracked through internal order numbers 339031 and 339032, respectively.

K. **Notice**

A copy of the Notice of the Application of PacifiCorp for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants is included with this Application as Attachment A. This notice will be served to the service list from the company's most recent general rate case.

WHEREFORE, PacifiCorp respectfully requests that in accordance with ORS 757.259(3), the Commission reauthorize PacifiCorp to record and defer, on an ongoing basis and commencing as of August 1, 2017, Intervenor Funding Grants incurred by the company per the Intervenor Funding Agreement and the MSP Funding Agreement, as described in this Application.

DATED: July 28, 2017.

Respectfully submitted,

Matthew McVee

Chief Regulatory Counsel

ATTACHMENT A NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1102(14)

In the Matter

PACIFICORP d/b/a PACIFIC POWER

Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants.

NOTICE OF APPLICATION FOR REAUTHORIZATION OF DEFERRED ACCOUNTING

On July 28, 2017, PacifiCorp d/b/a Pacific Power (PacifiCorp) filed an Application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferral of intervenor funding costs. Approval of PacifiCorp's 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. Persons who wish to obtain a copy of PacifiCorp's filing should contact the following:

PacifiCorp Oregon Dockets PacifiCorp 825 NE Multnomah, Suite 2000 Portland, OR 97232 Telephone: (503) 813-6583

E-mail: oregondockets@pacificorp.com

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.

DATED: July 28, 2017.

Matthew McVee

Chief Regulatory Counsel

ATTACHMENT B ENTRIES IN DEFERRED ACCOUNT TO DATE

Oregon Deferred Intervenor Funding Grants Summary Account #187952 Activity through June 2017

New Funding Grants Paid	Postg Date	Amount	Commission Order	Description
CUB Issue Fund Grant	11/30/2015	11,093.00	UM 1713, Order No. 15-378	Large Customer Energy Efficiency CUB
CUB MSP Fund	11/30/2015	8,884.00	UM 1586 (8), Order No. 15-37	4Multi-State Process (MSP) CUB
CUB Issue Fund Grant	11/30/2015	18,440.00	LC 62, Order No. 15-373	2015 Integrated Resource Plan (IRP) CUB
CUB Issue Fund Grant	11/30/2015	8,238.50	UM 1662, Order 15-376	Generic Power Cost Mechanism CUB
ICNU Issue Fund	12/11/2015	9,491.02	UM 1662, Order No. 15-312	Generic Power Cost Mechanism ICNU
CUB Grant Fund	1/11/2016	66,125.00	UM 1357(59)	2016 Funding Grants CUB Fund
ICNU Issue Fund	3/8/2016	7,551.75	UM 1662, Order No. 16-058	Generic Power Cost Mechanism ICNU
ICNU Matching Fund	3/8/2016	43,322.02	UM 1357 (60) Order No. 16-08	8:2016 preauthorized matching fund ICNU
CUB MSP Fund	4/11/2016	4,760.00	UM 1586(9), Order No. 16-126	6 Multi-State Process (MSP) CUB
SBUA Issue Fund	6/8/2016	2,236.00	UM 1754, Order No. 16-204	2017-2021 RPIP SBUA
ICNU Issue Fund	6/8/2016	1,452.20	_UM 1719, Order No. 16-199	Renewable Generator's Contr to Capacity ICNU
		181,593.49	October 2015-June 2016	
		-	=	
ICNU MSP Fund	7/11/2016	40,000.00	Order 16-252	MSP Fund Grant Request ICNU
CUB Issues Fund	8/10/2016	3,886.00	Order 16-281	Issue Fund Grant Request (UM 1719 Renewable Generator's Contribution to Capacity) (
ICNU Issue Fund	9/9/2016	4,634.67	Order 16-310	Issue Fund Grant Request (UM 1754 PAC 2017-21 RPIP) ICNU
CUB MSP Fund	9/23/2016	12,901.00	Order 16-357	MSP Fund Grant Request CUB
CUB Issues Fund	10/27/2016	33,200.00	Order 16-406	Issue Fund Grant Request (UE 307 PAC 2017 TAM) CUB
ICNU Issue Fund	11/23/2016	5,000.00	Order 16-443	Issue Fund Grant Request (UM 1790 PAC 2017-21 RPIP #2) ICNU
SBUA Issue Fund	1/10/2017	1,097.00	Order 17-001	Issue Fund Grant Request (UM 1751 Implementing Energy Storage Guidelines) SBUA
CUB Grant Fund	1/10/2017	66,125.00	Order 17-003	CUB Fund Grant Request (UM 1357(65))
ICNU MSP Fund	1/23/2017	4,080.00	Order 17-015	MSP Fund Grant Request ICNU
ICNU Issues Fund	2/7/2017	24,893.33	Order 16-430	Issue Fund Grant (UE 307 PAC 2017 TAM) ICNU
SBUA Funding Grant	3/8/2017	1,765.00	UM-1790, Order 17-013	Issue Fund Grant Request (UM 1790 PAC 2017-21 RPIP #2) SBUA
ICNU Preauth. Match	3/30/2017	24,669.65	Order 17-094	ICNU Matching Funds Grant
ICNU Issues Fund	4/24/2017	8,768.00	Order 17-143	Issue Fund Grant Request (UE 307 TAM) ICNU
CUB Issue Fund	6/19/2017	11,745.00	Order 17-183	Issue Fund Grant Request (UE 307 TAM post-order workshops) CUB
		242,764.65	July 2016-June 2017	