

July 29, 2016

#### VIA ELECTRONIC FILING

Public Utility Commission of Oregon 201 High Street SE, Suite 100 Salem, OR 97301-1166

Attn: Filing Center

**RE:** Docket UM 1102—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,

R. Bryce Dalley

Vice President, Regulation

**Enclosures** 

#### **CERTIFICATE OF SERVICE**

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

#### UE 263

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Dated this 29<sup>th</sup> of July, 2016.

Jennifer Angell ()
Supervisor, Regulatory Operations

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

## UM 1102(13)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants.

## APPLICATION FOR REAUTHORIZATION OF DEFERRED ACCOUNTING

1 Under ORS 757.259 and OAR 860-027-0300, PacifiCorp, d/b/a Pacific Power 2 (PacifiCorp or Company), files this application (Application) with the Public Utility 3 Commission of Oregon (Commission) for an order reauthorizing the Company to record and 4 defer, on an ongoing basis, the cost of intervenor funding grants under ORS 757.259(3). The 5 Company respectfully requests reauthorization for a 12-month period commencing August 1, 6 2016. 7 In support of this Application, and in accordance with OAR 860-027-0300(3) and (4), 8 PacifiCorp states: 9 A. **PacifiCorp** 10 PacifiCorp is a public utility in the state of Oregon and is subject to the jurisdiction of 11 the Commission with regard to rates, service, and accounting practices. PacifiCorp also 12 provides retail electricity service in the states of California, Idaho, Utah, Washington, and 13 Wyoming. 14 В. **Statutory Authority** 15 This Application is filed pursuant to ORS 757.259, which authorizes the deferral of 16 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
- 2 entered into under ORS 757.072.

#### 3 C. Communications

4 Communications regarding this Application should be addressed to:

PacifiCorp Oregon Dockets
PacifiCorp
Senior Counsel
825 NE Multnomah, Suite 2000
Portland, OR 97232

Etta Lockey
Senior Counsel
825 NE Multnomah, Suite 1800
Portland, OR 97232
Telephone: (503) 813-5701

Telephone: (503) 813-5701 E-mail: etta.lockey@pacificorp.com

E-mail: oregondockets@pacificorp.com

- 5 In addition, PacifiCorp requests that all data requests regarding this Application be
- 6 sent to the following:
- 7 By email (preferred): datarequest@pacificorp.com
- 8 By regular mail: Data Request Response Center
- 9 PacifiCorp
- 10 825 NE Multnomah, Suite 2000
- Portland, Oregon 97232
- 12 Informal questions may be directed to Natasha Siores at (503) 813-6583.
- 13 D. Basis for Application
- 14 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
- 17 recover intervenor funding in rates through deferred accounting:
- 18 Upon request of the public utility, the commission by order
- shall allow deferral of amounts provided as financial assistance
- 20 under an agreement entered into under ORS 757.072 for later
- 21 incorporation in rates.
- Deferred amounts under ORS 757.259(3) are not subject to the percentage of gross revenues
- 23 limitation on amortization or other provisions of subsections (5), (6), (7), and (8) of ORS
- 24 757.259.

## 2. Commission Approval of the Intervenor Funding Agreement

- On July 2, 2003, pursuant to section 2 of the Intervenor Funding Act, the Commission
- 3 issued Order No. 03-388 in Docket AR 462, which, among other things, approved the
- 4 Intervenor Funding Agreement among PacifiCorp, Portland General Electric Company,
- 5 Northwest Natural Gas Company, Northwest Industrial Gas Users, Citizens' Utility Board of
- 6 Oregon (CUB), and Industrial Customers of Northwest Utilities (ICNU), dated February 5,
- 7 2003. On December 19, 2007, the Commission issued Order No. 07-564 in Docket UM
- 8 1357 approving the amended and restated Intervenor Funding Agreement that extended
- 9 intervenor funding until December 31, 2012. On November 20, 2012, the Commission
- 10 issued Order No. 12-452 in Docket UM 1357 approving the second amended and restated
- 11 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.

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#### E. Request for Reauthorization of Deferred Accounting

- Under the instant docket, the Commission issued a series of orders authorizing
- 19 PacifiCorp's deferral of Intervenor Funding Agreement costs. The Commission originally
- authorized deferral of the Intervenor Funding Agreement costs beginning September 17,
- 21 2003, in Order 03-560. The Commission has reauthorized this deferral annually, most

<sup>&</sup>lt;sup>1</sup> 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) and Order No. 14-299 (entered September 2, 2014).

- 1 recently in Order No. 15-268, which reauthorized the deferral through July 31, 2016. The
- 2 Company seeks reauthorization of this deferral for a 12-month period beginning August 1,
- 3 2016.

# 4 F. Amounts Subject to Deferral

- 5 The Company anticipates that the maximum amounts to be deferred during the 12-
- 6 month period beginning August 1, 2016 will be as shown below.

| <u>Fund</u>                 |           |
|-----------------------------|-----------|
| CUB Fund                    | \$ 66,125 |
| Preauthorized Matching Fund | \$ 66,125 |
| Issue Fund                  | \$143,750 |
| Total                       | \$276,000 |

# 7 G. Accounting

- 8 The Company proposes to record payment of Intervenor Funding Grants in Account
- 9 182.3 Other Regulatory Assets. In the absence of approval of deferred accounting, the
- 10 Company would expense the amounts through FERC account 928 Regulatory Commission
- 11 Expenses.

#### 12 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
- 14 Application. These entries are for amounts paid to intervenors as ordered by the Commission
- pursuant to the Intervenor Funding Agreement adopted by Order No. 12-452.

### 16 I. Reasons for Continuation of Deferred Accounting

- 17 The Company requests the continuation of deferred accounting in order to seek future
- recovery of amounts approved pursuant to Order No. 14-299.

#### J. Use of Sub-accounts

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Ordering paragraph 2 of Order No. 10-323, Docket UM 1102, requires the Company

3 to separately account for each type of grant. The Company tracks intervenor funding grants

4 by grant type through different internal order numbers. Issue fund grant amounts paid to

5 ICNU are tracked through internal order number 313374. Issue fund grant amounts paid to

6 CUB are tracked through internal order number 313431. Matching fund grant amounts paid

7 to ICNU are tracked through internal order number 313430. Matching fund grant amounts

8 paid to CUB are tracked through internal order number 313429.

# 9 H. Notice

A copy of the Notice of the Application of PacifiCorp for Reauthorization of

11 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 the Company to record and defer, on an ongoing

basis and commencing as of August 1, 2016, Intervenor Funding Grants incurred by the

17 Company pursuant to the Intervenor Funding Agreement, as described in this Application.

DATED: July 29, 2016.

Respectfully submitted,

Etta Lockey, OSB #115826

Senjor Counsel

Pacific Power

# ATTACHMENT A NOTICE

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1102(13)

In the Matter

PACIFICORP d/b/a PACIFIC POWER

Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants.

Notice of Application for Reauthorization to Defer Intervenor Funding Costs

On July 29, 2016, PacifiCorp d/b/a Pacific Power (Pacific Power) filed an Application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferral of intervenor funding costs. Approval of Pacific Power'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 Pacific Power's filing should contact the following:

PacifiCorp Oregon Dockets PacifiCorp 825 NE Multnomah, Suite 2000 Portland, OR 97232

Telephone: (503) 813-6642

E-mail: oregondockets@pacificorp.com

Any person who wishes to submit written comments to the Commission must do so no later than August 23, 2016.

DATED: July 29, 2016.

Etta Lockey, OSB #115826

Senior Counsel Pacific Power

# ATTACHMENT B ENTRIES IN DEFERRED ACCOUNT TO DATE

| Oregon Deferred Intervenor Fund | ding Grants Summary |             |           |                               |   |
|---------------------------------|---------------------|-------------|-----------|-------------------------------|---|
| Account #187952                 |                     |             |           |                               |   |
| Oct 16- Jun 16                  |                     |             |           |                               |   |
|                                 |                     |             |           |                               |   |
|                                 | Posting             |             | Internal  |                               |   |
| New Funding Grants Paid         | Date                | Amount      | Order No. | Commission Order (if have)    |   |
| CUB Issue Fund Grant            | 11/30/2015          | 11,093.00 - | 313431    | UM 1713, Order No. 15-378     | Large Customer Energy Efficiency        |
| CUB Issue Fund Grant            | 11/30/2015          | 8,884.00    | 313431    | UM 1586 (8), Order No. 15-374 | Multi-State Process (MSP)               |
| CUB Issue Fund Grant            | 11/30/2015          | 18,440.00   | 313431    | LC 62, Order No. 15-373       | 2015 Integrated Resource Plan (IRP)     |
| CUB Issue Fund Grant            | 11/30/2015          | 8,238.50    | 313431    | UM 1662, Order 15-376         | General Power Cost Mechanism            |
| ICNU Issue Fund                 | 12/11/2015          | 9,491.02    | 313374    | UM 1662, Order No. 15-312     | General Power Cost Mechanism            |
| CUB Issue Fund Grant            | 1/11/2016           | 66,125.00   | 313431    | UM 1357(59)                   | 2015 Funding Grants                     |
| ICNU Issue Fund                 | 3/8/2016            | 7,551.75    | 313374    | UM 1662, Order No. 16-058     | General Power Cost Mechanism            |
| ICNU Issue Fund                 | 3/8/2016            | 43,322.02   | 313374    | UM 1357 (60) Order No. 16-083 | 2015 preauthorized matching fund        |
| CUB Issue Fund Grant            | 4/11/2016           | 4,760.00    | 313431    | UM 1586(9), Order No. 16-126  | Multi-State Process (MSP)               |
| SBUA Issue Fund Grant           | 6/8/2016            | 2,236.00    | 313374    | UM 1754, Order No. 16-204     | 2017-2021 Renewable Portfolio Std       |
| ICNU Issue Fund                 | 6/8/2016            | 1,452.20    | 313374    | UM 1719, Order No. 16-199     | Renewable Generator's Contr to Capacity |
|                                 |                     |             |           |                               |   |
|                                 |                     |             |           |                               |   |