

May 18, 2022

# VIA ELECTRONIC FILING

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

# Re: UM 1483(12)—PacifiCorp Application for Reauthorization for Deferred Accounting

Enclosed for filing by PacifiCorp d/b/a Pacific Power is an Application for Reauthorization for Deferred Accounting to defer the costs associated with the photovoltaic feed-in-tariff program required by ORS 757.365. A copy of the enclosed Notice has been served on all parties in docket UM 1483.

It is respectfully requested that all formal data requests to the company regarding this filing be addressed 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 inquiries regarding this filing may be directed to Jennifer Angell, Regulatory Project Manager, at (503) 331-4414.

Sincerely,

Shilly McCoy

Shelley McCoy Director, Regulation

Enclosures

Cc: Service List UM 1483 Service List UE 399

### BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

## UM 1483(12)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Deferred Accounting Order

#### APPLICATION FOR REAUTHORIZATION FOR DEFERRED ACCOUNTING

## I. INTRODUCTION

Per Oregon Revised Statute (ORS) 757.259, ORS 757.365(10), and

ORS 469A.120(1) and (3), and in accordance with Oregon Administrative Rule (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) applies to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the Company to defer the costs and expenses associated with the photovoltaic feed-in tariff pilot program, known as the Oregon Solar Incentive Program, for the 12-month period beginning May 19, 2022 (Application). Reauthorization to defer the requested costs is necessary to allow PacifiCorp to recover costs associated with compliance with ORS 757.365, as required by ORS 757.365(10).

# II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

Oregon Dockets	Nate Larsen
PacifiCorp	Associate Attorney
825 NE Multnomah Street, Suite 2000	PacifiCorp
Portland, OR 97232	825 NE Multnomah Street, Suite 2000
Email: <u>oregondockets@pacificorp.com</u>	Portland, OR 97232
	Email: <u>nate.larsen@pacificorp.com</u>

In addition, PacifiCorp requests that all information requests regarding this

Application be sent to the following:

By email (preferred): <u>datarequest@pacificorp.com</u>

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

Informal questions may be directed to Jennifer Angell, Regulatory Project Manager, at (503) 331-4414.

# III. STATUTORY AND REGULATORY FRAMEWORK

# A. Oregon Solar Incentive Program

In docket AR 538, the Commission adopted rules to establish a solar photovoltaic

feed-in tariff pilot program, as required by ORS 757.365.<sup>1</sup> In docket UM 1452, the

Commission established volumetric incentive rates for solar photovoltaic energy systems.<sup>2</sup>

PacifiCorp is implementing the solar photovoltaic feed-in tariff program (for PacifiCorp, the

program is known as the Oregon Solar Incentive Program) through Schedules 136 and 137.

Additionally, Schedule 204 has been adopted for recovery of the costs authorized under the

deferral approved in the docket.<sup>3</sup>

# **B.** Statutory Authority

PacifiCorp files its Application under ORS 757.259, ORS 757.365(10), and

ORS 469A.120(1) and (3).<sup>4</sup> As discussed in PacifiCorp's initial application for Deferred

Accounting in this docket, ORS 757.365(10) provides the Commission authority,

<sup>2</sup> In the Matter of Public Utility Commission of Oregon Investigation into Pilot Programs to demonstrate the use and effectiveness of Volumetric Incentive Rates for Solar Photovoltaic Energy Systems, Order No. 10-198 (May 28, 2010), amended, In the Matter of Public Utility Commission of Oregon Investigation into Pilot Programs to demonstrate the use and effectiveness of Volumetric Incentive Rates for Solar Photovoltaic Energy Systems, Order No. 10-198 (Systems, Order No. 10-304 (Aug. 9, 2010); and In the Matter of Public Utility Commission of Oregon Solar Photovoltaic Program Draft Report Comments and Recommendations, Order No. 11-089 (Mar. 17, 2011).
<sup>3</sup> In the matter of PacifiCorp, dba Pacific Power, Application to amortize Oregon Solar Incentive Program Deferred Costs (Schedule 204), Order No. 17-516 (Dec. 18, 2017).

<sup>&</sup>lt;sup>1</sup> In the Matter of a Rulemaking Regarding Solar Photovoltaic Energy Systems (HB 3039), Order No. 10-200 (May 28, 2010).

<sup>&</sup>lt;sup>4</sup> Order No. 17-305 approved Staff's recommendation to approve reauthorization under all three statues: ORS 757.259, 757.365(10), and 469A.120(1) and (3).

independent of other statutes, to authorize deferral of costs associated with compliance with ORS 757.365(10). Additionally, ORS 469A.120(1) and (3) addresses costs associated with compliance with the Oregon Renewable Portfolio Standards (RPS). Finally, the Commission should reauthorize deferral under ORS 757.259.<sup>5</sup> The Commission can approve this Application under any of these statutes, and PacifiCorp requests approval under all or any one or more, in the alternative.

#### C. Request for Reauthorization of Deferral

In this docket, pursuant to Order No. 11-021, the Commission originally authorized deferral of the costs associated with compliance of ORS 757.365 for the 12-month period beginning May 19, 2010.<sup>6</sup> PacifiCorp seeks reauthorization of this deferral for a 12-month period beginning May 19, 2022.

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

#### A. Description of Utility Expense

PacifiCorp requests reauthorization to defer costs associated with the Oregon Solar Incentive Program. After PacifiCorp filed its initial application to defer the costs on May 19, 2010, in docket UM 1483, Commission Staff convened two workshops with interested

<sup>&</sup>lt;sup>5</sup> See In the Matter of PacifiCorp Application for Deferred Accounting Order, Docket UM 1483, Initial Application (May 19, 2010) for a discussion of the applicable legal standard.

<sup>&</sup>lt;sup>6</sup> In 2011, the Commission reauthorized, pursuant to Order No. 11-251, the deferral of the costs with compliance of ORS 757.365 for the 12-month period beginning May 19, 2011. In 2012, the Commission reauthorized, pursuant to Order No. 12-370, the deferral of the costs with compliance with ORS 757.365 for the 12-month period beginning May 19, 2012. In 2013, the Commission reauthorized, pursuant to Order No. 13-249, the deferral of the costs with compliance of ORS 757.365 for the 12-month period beginning May 19, 2012. In 2013, the Commission reauthorized, pursuant to Order No. 13-249, the deferral of the costs with compliance of ORS 757.365 for the 12-month period beginning May 19, 2013. In 2014, the Commission reauthorized, pursuant to Order No. 14-208 the deferral of the costs with compliance of ORS 757.365 for the 12-month period beginning May 19, 2014, Order No. 15-360 reauthorized the deferral of these costs for the 12-month period beginning May 19, 2015, Order No. 16-411 reauthorized the deferral of these costs for the 12-month period beginning May 19, 2016, Order No. 17-305 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2017, Order No. 18-227 reauthorized the deferral for the 12-month period beginning May 19, 2019, and Order No. 21-197 reauthorized the deferral for the 12-month period beginning May 19, 2021.

parties on August 18, 2010, and September 21, 2010, to discuss PacifiCorp's deferral application, along with Portland General Electric Company's similar deferral application. Through these workshops, the utilities, Commission Staff, and interested stakeholders reached agreement on a number of issues related to the deferrals for solar incentive programs, including the timing of filings, formats and types of costs to be recovered through the deferral. The costs to be deferred would include any administrative, marketing, metering, incentive payments and any other costs incurred by PacifiCorp for the purpose of implementing the pilot program, consistent with this agreement.

## **B.** Reasons for Deferral

As described above, ORS 757.365 requires the implementation and administration of the Oregon Solar Incentive Program. The statute also provides that prudently incurred costs associated with compliance with the statute are recoverable in rates. Moreover, the renewable energy certificates associated with generation sold to the utility under ORS 757.365 may be used to comply with the Oregon RPS, which also requires cost recovery of prudently incurred costs associated with compliance.<sup>7</sup> Costs associated with compliance with ORS 757.365 are not currently included in rates. Accordingly, reauthorization of the deferral application is necessary to allow for recovery of the costs as contemplated by ORS 757.365(10) and ORS 469A.120(1). Reauthorization of deferred accounting will allow PacifiCorp to continue to match the benefits that customers will be receiving with the costs to the Company of providing those benefits.

#### C. Proposed Accounting.

During the period of deferral, PacifiCorp proposes to account for the deferred costs of

<sup>&</sup>lt;sup>7</sup> ORS 469A.120(1).

the Oregon Solar Incentive Program by recording the deferral in Account 182.3, Other Regulatory Assets. In the absence of the Commission's approval of this Application, PacifiCorp would not incur the cost for the program. Were such costs incurred, however, they would be recorded in Account 908, Customer Assistance Expenses.

#### **D.** Estimate of Amounts

Costs and expenses of the Oregon Solar Incentive Program include the payment of volumetric incentive rates and program administration costs to implement and administer the program. Attachment 2 to PacifiCorp's Advice No. 10-022<sup>8</sup> contains a description of the types of incremental costs, by cost category, to be included in the deferral. PacifiCorp estimates that the costs may range from \$4.6 million to \$4.8 million during the May 19, 2022 through May 18, 2023 deferral period. Changes in the incentive rate established by the Commission, as well as differences between actual and projected generation due to weather conditions, may impact this estimate.

#### E. Notice.

A copy of the Notice of Application and a list of persons served with the Notice are attached to this Application as Exhibit A.

#### V. OAR 860-027-0300(4) REQUIREMENTS

#### A. Description and Explanation of the Entries in the Deferred Account

For this program year through April 2022, PacifiCorp has deferred approximately \$1.7 million of costs associated with the Oregon Solar Incentive Program. Please refer to Exhibit B for the entries in the deferred account to date.

<sup>&</sup>lt;sup>8</sup> Advice No. 10-022 approved in Commission Public Meeting on December 28, 2010, effective with service rendered on and after January 1, 2011.

## B. Reason for Continuation of Deferred Accounting

Continued deferral of the costs described in this Application is necessary to allow recovery of prudently incurred costs associated with compliance with ORS 757.365 and the Oregon RPS.

# VI. CONCLUSION

PacifiCorp's Application is appropriate under the applicable statutes and meets the requirements of OAR 860-027-0300. For the reasons stated above, PacifiCorp respectfully requests that the Commission reauthorize PacifiCorp to defer costs associated with compliance with ORS 757.365(10), ORS 469A.120(1) and (3), or ORS 757.259.

Respectfully submitted this 18<sup>th</sup> day of May, 2022.

By:

Nate Larsen

Associate Attorney PacifiCorp d/b/a Pacific Power

EXHIBIT A

#### EXHIBIT A

#### BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1483(12)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Deferred Accounting Order

#### APPLICATION FOR REAUTHORIZATION FOR DEFERRED ACCOUNTING

On May 18, 2022, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing the use of deferred accounting for expenses associated with a photovoltaic pilot program required by ORS 757.365. If granted, the reauthorization 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 to the Commission written comment on the application, in accordance with the procedures prescribed by the Commission. The deadline for comments on the application is 25 days from the filing of the application.

Respectfully submitted on May 18, 2022.

By:

Nate Larsen

Associate Attorney PacifiCorp d/b/a Pacific Power

# Exhibit B

Reg Asset - OR Solar Feed-In Tariff 2021	2021									
tomers	Effective with Qualifying Customers beginning October	ber, 2021								
		327343	327344	327247	**					
Adjustr	Adjustments/Transfers	Incentive	Meter	Program	Interest		Amortization		7.137%	End
Metering Costs	Costs Energy Value	ue Payments	Charges	Administration	Trueup	Estimated	Reversals	Actual	Interest	Balance
										00.00
		379,709.30	(8,221.02)	12,634.12					1,142.28	385,264.68
	(89,194.71)	71) 239,177.32	(8,320.68)	11,220.06					2,745.99	540,892.67
	(38,640.13)	13) 202,155.35	(8,292.99)	9,989.48					3,708.26	709,812.64
	(37,475.20)	20) 198,065.91	(8,182.33)	10,564.00					4,706.25	877,491.27
	(21,061.24)	24) 206,925.24	(8,399.34)	9,847.00					5,775.90	1,070,578.82
	(39,415.44)		(8,034.28)	9,967.50					7,261.71	1,378,619.23
	(37,659.18)	18) 373,207.26	(8,206.01)	11,390.00					9,206.64	1,726,557.94
									00'0	1,726,557.94
									00'0	1,726,557.94
									00'0	1,726,557.94
									00.0	1,726,557.94
									00.0	1,726,557.94
	0.00 (263,445.90)	90) 1,937,501.30	(57,656.65)	75,612.16						

# **CERTIFICATE OF SERVICE**

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

# Service List UE 399

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Dated this 18<sup>th</sup> day of May, 2022.

ey

Santiago Gutierrez Coordinator, Regulatory Operations

#### **CERTIFICATE OF SERVICE**

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

#### UM 1483

Stephanie S Andrus Department of Justice 1162 Court St. NE Salem, OR 97301-4096 stephanie.andrus@state.or.us

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Mitch Moore Public Utility Commission of Oregon PO Box 1088 Salem, OR 97308-1088 <u>mitch.moore@state.or.us</u>

Dated this 18<sup>th</sup> of May, 2022.

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Cathie Allen PacifiCorp 825 NE Multnomah St., Ste. 2000 Portland, OR 97232 <u>cathie.allen@pacificorp.com</u>

Santiago Gutierrez Coordinator, Regulatory Operations