

October 4, 2023

VIA ELECTRONIC FILING

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

Re: UM 2116(3)—Application for Deferred Accounting Related to Wildfire Damage and Restoration Costs

PacifiCorp d/b/a Pacific Power submits for filing its Application for Deferred Accounting Related to Wildfire Damage and Restoration Costs.

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

Oregon Dockets Carla Scarsella

PacifiCorp Deputy General Counsel

825 NE Multnomah Street, Suite 2000 825 NE Multnomah Street, Suite 2000

Portland, OR 97232 Portland, OR 97232

oregondockets@pacificorp.com Carla.scarsella@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, Suite 2000

Portland, OR 97232

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

Sincerely,

Matthew McVee

Vice President, Regulatory Policy and Operations

In My

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 2116(3)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Deferred Accounting Related to Wildfire Damage and Restoration Costs

APPLICATION FOR DEFERRED ACCOUNTING

I. INTRODUCTION

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

Administrative Rules (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) applies to the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferral of the incremental costs associated with restoring service to customers and repairing, replacing, and restoring damaged utility facilities due to the 2020 wildfires in Oregon (Deferred Amount). PacifiCorp seeks authorization to defer the recovery of costs incurred from the date of this application for a 12-month period beginning October 4, 2023.

PacifiCorp will seek amortization of the Deferred Amount in a future commission proceeding.

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II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

Oregon Dockets
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825 NE Multnomah Street, Suite 2000

Portland, OR 97232

Email: oregondockets@pacificorp.com

Carla Scarsella
Deputy General Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Email: carla.scarsella@pacificorp.com

¹ In accordance with OAR 860-027-0300, PacifiCorp will file for reauthorization of the deferral, as necessary.

In addition, the Company requests that all data 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, OR 97232

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

III. BACKGROUND

At the beginning of September 2020, several devastating wildfires spread across western Oregon causing widespread and extensive damage to PacifiCorp's transmission and distribution facilities and resulting in loss of power to customers. Counties within the Company's service area that were affected by the fires included Josephine, Jackson, Douglas, Lane, Linn, Lincoln, and Marion Counties. These areas had extensive damage to transmission and distribution lines that required the immediate reconstruction of burnt poles and replacement of conductors to restore vital electric service to communities in PacifiCorp's service territory.

On September 14, 2020, PacifiCorp filed an application for deferral of the Deferred Amount. The Commission approved the deferral application for the 12-month period starting September 14, 2020, in Order No. 22-154 issued on May 9, 2022. On October 4, 2021, the Company filed an application for reauthorization to defer the Deferred Amount for the 12 months beginning October 4, 2021. The Commission approved the application for reauthorization in Order No. 22-140 issued on May 9, 2022. On October 4, 2022, the Company filed an application for reauthorization to continue deferral of the Deferred

Amount for the 12 months beginning October 4, 2022. That application is still pending before the Commission.

IV. DEFERRAL OF COSTS

PacifiCorp respectfully requests reauthorization under ORS 757.259(2)(e) to continue deferral of the incremental costs associated with restoring service to customers and repairing, replacing, and restoring utility facilities damaged by the 2020 wildfires in Oregon for the 12-month period beginning October 4, 2023. As required by OAR 860-027-0300(3) and (4), PacifiCorp provides the following:

A. Description of Utility Expense

PacifiCorp proposes to continue to maintain a balancing account to record all incremental costs related to the restoration of service to customers and the repair, replacement, or restoration of facilities damaged by the 2020 wildfires in Oregon. The following table provides a high-level summary of the benefits and resiliency efforts:

District	WF Rebuild Project	Benefits
Medford	Almeda	Restore services to customers in Talent, Phoenix, Ashland and Medford and address distribution tree removal.
Medford	S. Obenchain	Restore transmission on Line 19 for Prospect Hydro, and to customers in Shady Cove and Butte Falls. Address transmission rights of way vegetation and distribution tree removal.
Lincoln City	Echo Mountain	Restore transmission redundancy on Van Duzer lines, address vegetation management along transmission right of way and restore customers in Otis and Neotsu and address distribution tree removal.
Roseburg	Archie Creek	Restore Line 46 and Line 39 transmission in support of Umpqua hydro projects, address long-term vegetation management and tree removal for both rebuild and future asset protection, procure pre-wrapped Genics fire wrapped poles for Line 39, access management and erosion control for improved access. Restore distribution service to customers in the town of Glide.

District	WF Rebuild Project	Benefits
Stayton	Beachie Creek	Restore customers on the distribution system in Mehama, Mill City, Gates, and Lyons. Address vegetation removal in support of rebuild efforts.
Grants Pass	Slater (Oregon)	Restore transmission on Line 33 in Oregon. Restore distribution service to customers in Takelma and O'Brien.
Klamath Falls	Two Four Two Fire	Restore distribution service to customers in Chiloquin and address vegetation along both distribution and transmission right of way.

Of the work noted in the table above, environmental cultural studies and reporting in support of vegetation management and line rebuild efforts remains for the Archie Creek Fire. Ongoing service restoration will continue in all rebuild project locations as customers continue to rebuild homes and businesses that were destroyed. This work is anticipated to continue through 2024.

B. Reason for Deferral

ORS 757.259(2)(e) allows the deferral of identifiable utility expenses to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne by and benefits received by customers. In this application, PacifiCorp seeks reauthorization to defer the Deferred Amount to match appropriately the costs borne by and benefits received by customers.

C. Proposed Accounting

If this application is approved, PacifiCorp will continue to record the Deferred Amount by debiting Federal Energy Regulatory Commission (FERC) Account 182.3-Other Regulatory Assets and crediting the incremental operations and maintenance expense to various FERC Accounts including primarily 593.0 Maintenance Overhead Lines (distribution) and 571.0-Maintenance Overhead Lines (transmission). Deferrals of capital

related revenue requirement will be credited to Operating Revenues (FERC Accounts 440, 442 and 444).

If this application is denied, the costs will remain in the various FERC Accounts.

D. Estimate of Amounts

PacifiCorp has incurred approximately \$194 million in incremental costs associated with restoring service to customers and repairing, replacing, and restoring damaged utility facilities due to the 2020 wildfires in Oregon beginning September 14, 2020. The following table reflects the incremental costs the Company forecasts it will incur through calendar year 2024.

Forecast Costs Through CY 2024

Oct. – Dec. 2023	CY 2024	Total
\$183,647	\$750,000	\$933,647

E. Notice

A copy of the Notice of Application is included as Exhibit A. This notice will be served to the service list in docket UE 399.

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

A description and explanation of the entries in this deferred account is provided in the Description of Utility Expense section.

G. Reason for Continuation of Deferred Accounting

The Company's efforts to repair, replace, and restore utility facilities damaged by the 2020 wildfires is ongoing. As discussed in this application, continuation of this deferral is necessary to track the ongoing incremental costs associated with restoring service to customers and repairing, replacing, and restoring utility facilities.

V. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission reauthorize the Company to defer the costs described in this application for the 12-month period beginning October 4, 2023. Recovery of the Deferred Amount will only be authorized through a subsequent application, general rate case, or through other appropriate filings as authorized by the Commission.

Respectfully submitted this 4th day of October 2023.

By:

Carla Scarsella

Deputy General Counsel

PacifiCorp d/b/a Pacific Power

EXHIBIT A

EXHIBIT A

NOTICE

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 2116(3)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Deferred Accounting Related to Wildfire Damage and Restoration Costs

NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING

On October 4, 2023, PacifiCorp d/b/a Pacific Power filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing the use of deferred accounting for the incremental costs associated with restoring service to customers and repairing, replacing, and restoring damaged utility facilities due to the 2020 wildfires in Oregon. The application will not result in 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 PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232

E-mail: <u>oregondockets@pacificorp.com</u>

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

Respectfully submitted on October 4, 2023.

v. <u>a</u>

Caria Scarsella

Deputy General Counsel

PacifiCorp d/b/a Pacific Power

CERTIFICATE OF SERVICE

I certify that a true and correct copy of **PacifiCorp's Notice of Application for Deferred Accounting** was served 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 4th day of October, 2023.

Santiago Gutierrez Coordinator, Regulatory Operations