

June 23, 2022

***VIA ELECTRONIC FILING***

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

**Re: UM 2159(1) — Application for Reauthorization of Deferred Accounting for Costs Related to Wildfire Risk Mitigation Measures and Vegetation Management**

PacifiCorp d/b/a Pacific Power (PacifiCorp) submits for filing its Application for Reauthorization of Deferred Accounting for Costs Related to Wildfire Risk Mitigation Measures and Vegetation Management.

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

Oregon Dockets  
PacifiCorp  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
[oregondockets@pacificorp.com](mailto:oregondockets@pacificorp.com)

Ajay Kumar, OSB #183903  
Senior Attorney  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
[ajay.kumar@pacificorp.com](mailto:ajay.kumar@pacificorp.com)

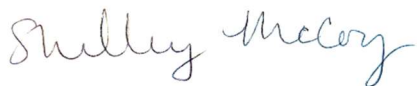
Additionally, PacifiCorp requests that all formal information requests regarding this matter be addressed to:

By email (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

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

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

Sincerely,



Shelley McCoy  
Director, Regulation

Cc: Service Lists for Docket Nos. UE 399 and UM 2159

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 2159(1)**

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Deferred Accounting for Costs  
Related to Wildfire Risk Mitigation Measures and  
Vegetation Management

**APPLICATION FOR  
REAUTHORIZATION OF  
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 of implementing the wildfire risk mitigation measures associated with mitigating wildfire risk in Oregon (Deferred Amount) and vegetation management. PacifiCorp will seek amortization of the Deferred Amount in a future commission proceeding through the Wildfire Mitigation and Vegetation Management Cost Recovery Mechanism (WMVM).<sup>1</sup> Since the time of the initial deferral application in 2021, Senate Bill 762 was signed into law and requires utilities to submit an annual wildfire protection plan. PacifiCorp submitted its first Wildfire Protection Plan (WPP) on December 30, 2021. The wildfire prevention costs associated with PacifiCorp's 2022 WPP are deferred under a separate deferral application in Docket No. UM 2221.

**II. CONTACT INFORMATION**

Communications regarding this application should be addressed to:

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<sup>1</sup> In Docket No. UE 374, Order No. 20-473, the Commission authorized the Wildfire Mitigation and Vegetation Management Cost Recovery Mechanism. The first filing was made on May 5, 2022.

Oregon Dockets  
PacifiCorp  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
Email: [oregondockets@pacificorp.com](mailto:oregondockets@pacificorp.com)

Ajay Kumar  
Senior Attorney  
PacifiCorp  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
Email: [ajay.kumar@pacificorp.com](mailto:ajay.kumar@pacificorp.com)

In addition, the company requests that all data requests regarding this application be sent to the following:

By email (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

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. OAR 860-027-0300(3) AND (4) REQUIREMENTS**

As required by OAR 860-027-0300(3) and (4), PacifiCorp provides the following:

#### **A. Background Description**

On May 14, 2019, in docket UM 2013 PacifiCorp submitted an *Application for Deferred Accounting Related to Wildfire Risk Mitigation Measures*. On May 14, 2020, PacifiCorp submitted an application for reauthorization of deferred accounting in docket UM 2013(1). The costs described in those applications included inspection and correction of found fire-threat conditions, advanced system hardening and resiliency, expanded automation and protection, improved wildfire detection, enhanced event response capacity, vegetation management activities, along with other costs to mitigate the risk of wildfires.

In docket UE 374, Order No. 20-473, the Commission authorized the WMVM mechanism for a period of three years. The Order authorized \$30 million in wildfire mitigation and vegetation management operations and maintenance (O&M) expense in base

rates. The WMVM mechanism provides an opportunity to recover additional wildfire mitigation and vegetation management O&M spend beyond what is included in base rates subject to performance metrics and an earnings test for a period of three years.

The WMVM mechanism authorized by the Commission includes vegetation management O&M costs not limited to the vegetation management costs incurred as part of PacifiCorp's wildfire mitigation planning effort. The first filing using the Commission-authorized WMVM was made on May 5, 2022. PacifiCorp is submitting this application requesting reauthorization to defer the incremental wildfire mitigation costs not included in the Company's 2022 WPP<sup>2</sup> and vegetation management O&M costs incurred as part of the Company's ongoing vegetation management program. A request for recovery of costs is expected to be submitted as part of the Company's second WMVM mechanism filing on May 5, 2023.

**B. Reasons for Deferral**

As discussed above, PacifiCorp requests reauthorization to defer the incremental costs associated with wildfire risk mitigation and vegetation management. These amounts will not include costs deferred in UM 2221 for the 2022 WPP. ORS 757.259(2)(e) allows the deferral of identifiable utility expenses in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne and benefits received by customers.

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<sup>2</sup> This deferral will not include costs in the 2022 WPP. Costs associated with the 2022 WPP are deferred under a separate deferral application UM 2221.

**C. Estimated 2022 Costs**

In Order No. 20-473, the Commission authorized \$30 million in base rates related to wildfire mitigation costs and vegetation management O&M. On May 5, 2022, PacifiCorp filed for cost recovery of the 2021 costs in excess of the \$30 million in base rates through the WMVM. For 2022, the non-wildfire related vegetation management O&M costs in this deferral are expected to exceed \$52 million (total company) or \$48 million (Oregon-allocated) which is more than the \$30 million currently authorized in base rates. As previously discussed, the wildfire prevention costs associated with PacifiCorp's 2022 WPP are deferred under a separate deferral application in Docket No. UM 2221.

**D. Proposed Accounting**

If this application is approved, PacifiCorp will record deferred amounts 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).

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

**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 374.

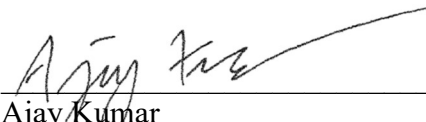
**F. Description and Explanation of Entries in the Deferred Account to Date**

As of May 31, 2022, a regulatory asset in FERC Account 182.3 for approximately \$7.96 million has been recorded for 2022. The amounts recorded include incremental operations and maintenance costs and investment costs.

#### IV. CONCLUSION

PacifiCorp respectfully requests that, in accordance with ORS 757.259(2)(e), the Commission authorize the company to defer the costs described in this application. Recovery of the deferred fire risk mitigation costs and vegetation management costs will only be authorized for recovery through a subsequent application using the WMVM mechanism authorized by the Commission in Order No. 20-473.

Respectfully submitted this 23<sup>rd</sup> day of June, 2022.

By:   
Ajay Kumar  
Senior Attorney  
PacifiCorp d/b/a Pacific Power

## **EXHIBIT A**

**EXHIBIT A**  
**NOTICE**  
**BEFORE THE PUBLIC UTILITY COMMISSION**  
**OF OREGON**  
**UM 2159(1)**

In the Matter of  
  
PACIFICORP d/b/a PACIFIC POWER  
  
Application for Deferred Accounting for Costs  
Related to Wildfire Risk Mitigation Measures  
and Vegetation Management

**NOTICE OF  
APPLICATION FOR  
REAUTHORIZATION OF  
DEFERRED ACCOUNTING**

On June 23, 2022, PacifiCorp d/b/a Pacific Power (PacifiCorp) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferral of the incremental costs of implementing the wildfire risk mitigation measures associated with mitigating wildfire risk in Oregon (Deferred Amount) and vegetation management. Since the time of the initial deferral application in 2021, Senate Bill 762 was signed into law and requires utilities to submit an annual wildfire protection plan. PacifiCorp submitted its first WPP on December 30, 2021. The wildfire prevention costs associated with PacifiCorp’s 2022 WPP are deferred under a separate deferral application in Docket No. UM 2221. The granting of this 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. To obtain a copy of the application, contact the following:

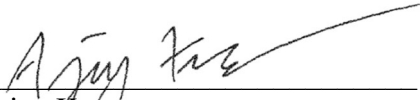
Oregon Dockets  
PacifiCorp  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
Email: [oregondockets@pacificorp.com](mailto:oregondockets@pacificorp.com)



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

Respectfully submitted on June 23, 2022.

By:

  
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Ajay Kumar  
Senior Attorney

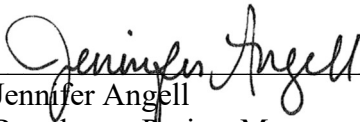
**CERTIFICATE OF SERVICE**

I certify that I delivered a true and correct copy of **PacifiCorp’s Application for Reauthorization of Deferred Accounting for Costs Related to Wildfire Risk Mitigation Measures and Vegetation Management** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

**Service List  
UM 2159**

<b>PACIFICORP</b>	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 <a href="mailto:oregondockets@pacificorp.com">oregondockets@pacificorp.com</a>	AJAY KUMAR PACIFICORP 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 <a href="mailto:ajay.kumar@pacificorp.com">ajay.kumar@pacificorp.com</a>
<b>STAFF</b>	
HEATHER COHEN PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM OR 97308-1088 <a href="mailto:heather.b.cohen@puc.oregon.gov">heather.b.cohen@puc.oregon.gov</a>	MITCH MOORE PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM OR 97308-1088 <a href="mailto:mitch.moore@puc.oregon.gov">mitch.moore@puc.oregon.gov</a>
KATHY ZARATE PUBLIC UTILITY COMMISSION OF OREGON 201 HIGH ST SE STE 100 SALEM OR 97301 <a href="mailto:kathy.zarate@puc.oregon.gov">kathy.zarate@puc.oregon.gov</a>	SOMMER MOSER PUC STAFF - DEPARTMENT OF JUSTICE 1162 COURT ST NE SALEM OR 97301 <a href="mailto:sommer.moser@doj.state.or.us">sommer.moser@doj.state.or.us</a>

Dated this 23<sup>rd</sup> day of June, 2022.

  
\_\_\_\_\_  
Jennifer Angell  
Regulatory Project Manager,  
Regulatory Affairs

## CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of **PacifiCorp's Application for Reauthorization of Deferred Accounting for Costs Related to Wildfire Risk Mitigation Measures and Vegetation Management** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

### Service List UE 399

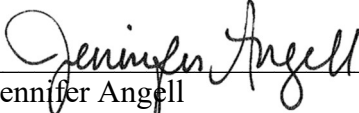
<b>PACIFICORP</b>	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 <a href="mailto:oregondockets@pacificorp.com">oregondockets@pacificorp.com</a>	KATHERINE A MCDOWELL MCDOWELL RACKNER & GIBSON PC 419 SW 11TH AVE., SUITE 400 PORTLAND, OR 97205 <a href="mailto:katherine@mrg-law.com">katherine@mrg-law.com</a>
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<b>STAFF</b>	
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<p>TYLER C PEPPLER (C)          DAVISON VAN CLEVE, PC          1750 SW HARBOR WAY STE 450          PORTLAND, OR 97201  <a href="mailto:tcp@dvclaw.com">tcp@dvclaw.com</a></p>	
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<p>GREGORY M. ADAMS          RICHARDSON ADAMS, PLLC          PO BOX 7218          BOISE, ID 83702  <a href="mailto:greg@richardsonadams.com">greg@richardsonadams.com</a></p>	<p>GREG BASS          CALPINE ENERGY SOLUTIONS, LLC          401 WEST A ST, STE 500          SAN DIEGO, CA 92101  <a href="mailto:greg.bass@calpinesolutions.com">greg.bass@calpinesolutions.com</a></p>
<p>KEVIN HIGGINS          ENERGY STRATEGIES LLC          215 STATE ST - STE 200          SALT LAKE CITY, UT 84111-2322  <a href="mailto:khiggins@energystrat.com">khiggins@energystrat.com</a></p>	
<p><b>CUB</b></p>	
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<p>OREGON CITIZENS' UTILITY BOARD          610 SW BROADWAY, STE 400          PORTLAND OR 97205  <a href="mailto:dockets@oregoncub.org">dockets@oregoncub.org</a></p>	
<p><b>FRED MEYER</b></p>	
<p>JUSTIN BIEBER (C)          FRED MEYER/ENERGY STRATEGIES LLC          215 SOUTH STATE STREET, STE 200          SALT LAKE CITY, UT 84111  <a href="mailto:jbieber@energystrat.com">jbieber@energystrat.com</a></p>	<p>KURT J BOEHM (C)          BOEHM KURTZ &amp; LOWRY          36 E SEVENTH ST - STE 1510          CINCINNATI, OH 45202  <a href="mailto:kboehm@bkllawfirm.com">kboehm@bkllawfirm.com</a></p>
<p>JODY KYLER COHN (C)          BOEHM KURTZ &amp; LOWRY          36 E SEVENTH ST - STE 1510          CINCINNATI, OH 45202  <a href="mailto:jkylercohn@bkllawfirm.com">jkylercohn@bkllawfirm.com</a></p>	

<b>KWUA</b>	
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<b>OREGON FARM BUREAU</b>	
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<b>SBUA</b>	
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WILLIAM STEELE (C) BILL STEELE AND ASSOCIATES, LLC PO BOX 631151 HIGHLANDS RANCH, CO 80164 <a href="mailto:w.steele1@icloud.com">w.steele1@icloud.com</a>	

<b>VITESSE</b>	
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IRION A SANGER SANGER LAW PC 1041 SE 58TH PLACE PORTLAND, OR 97215 <a href="mailto:irion@sanger-law.com">irion@sanger-law.com</a>	
<b>WALMART</b>	
VICKI M BALDWIN (C) PARSONS BEHLE & LATIMER 201 S MAIN ST STE 1800 SALT LAKE CITY, UT 84111 <a href="mailto:vbaldwin@parsonsbehle.com">vbaldwin@parsonsbehle.com</a>	STEVE W CHRISS (C) WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE, AR 72716-0550 <a href="mailto:stephen.chriss@wal-mart.com">stephen.chriss@wal-mart.com</a>
ALEX KRONAUER (C) WALMART <a href="mailto:alex.kronauer@walmart.com">alex.kronauer@walmart.com</a>	

Dated this 23<sup>rd</sup> day of June, 2022.

  
 \_\_\_\_\_  
 Jennifer Angell  
 Regulatory Project Manager,  
 Regulatory Affairs