

January 5, 2023

VIA ELECTRONIC FILING

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

RE: UM 2221(1)—Application for Reauthorization of Deferred Accounting for Operating Costs and Capital Investments Made to Implement and Operate PacifiCorp’s Oregon Wildfire Protection Plan

PacifiCorp d/b/a Pacific Power submits for filing its Application for Reauthorization of Deferred Accounting for Operating Costs and Capital Investments Made to Implement and Operate PacifiCorp’s Wildfire Protection Plan.

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

Carla Scarsella
Deputy General Counsel
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: 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 Cathie Allen, Manager, Regulatory Affairs, at (503) 813-5934.

Sincerely,



Matthew McVee
Vice President, Regulatory Policy and Operations

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2221(1)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred
Accounting for Operating Costs and Capital
Investments Made to Implement and Operate
PacifiCorp's Oregon Wildfire Protection Plan

**APPLICATION FOR DEFERRED
ACCOUNTING**

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rule (OAR) 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) submits this application to the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferred accounting to permit tracking of the operating costs incurred and prudent capital investments made to implement and operate the Company's annual wildfire protection plan (WPP) filed in accordance with Senate Bill (SB) 762. PacifiCorp respectfully requests reauthorization for the 12 months beginning January 5, 2023.

II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

Oregon Dockets
PacifiCorp
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

In addition, the Company requests that all data requests regarding this application be sent 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 questions may be directed to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

III. BACKGROUND AND SUMMARY OF REQUEST

SB 762 established a new state-wide requirement for public utilities that provide electric service to customers in Oregon to file an annual WPP. Section 3(8) of SB 762 provides for the following:

(8) All reasonable operating costs incurred by, and prudent investments made by, a public utility to develop, implement or operate a wildfire protection plan under this section are recoverable in the rates of the public utility from all customers through a filing under ORS 757.210 to 757.220. The commission shall establish an automatic adjustment clause, as defined in ORS 757.210, or another method to allow timely recovery of the costs.

PacifiCorp filed its first WPP on December 30, 2021 (2022 WPP)¹ and it was approved by the Commission on April 28, 2022, in Order No. 22-131. PacifiCorp's 2023 Wildfire Mitigation Plan was filed on December 29, 2022.²

On January 5, 2022, PacifiCorp filed for deferral of the operating costs and capital investments made to implement and operate its 2022 WPP. The Commission approved the deferral application on July 13, 2022, in Order No. 22-258, to defer costs related to the WPP for the 12 months beginning January 5, 2022.

¹ See *PacifiCorp's 2022 Wildfire Protection Plan*, filed December 30, 2021, Docket No. UM 2207.

² See *PacifiCorp's 2023 Wildfire Mitigation Plan*, filed December 29, 2022, Docket No. UM 2207(1). Per formal rulemaking and OAR 860-300-0020, the WPP is now referred to as the Wildfire Mitigation Plan (WMP).

On August 18, 2022, PacifiCorp filed Advice 22-009 (docketed as UE 407) for approval of a rate schedule and automatic adjustment clause to begin recovering these costs in rates as allowed by SB 762. Resolution of that filing is pending.

In this filing, PacifiCorp is requesting reauthorization to defer the operating costs and capital investments made to implement and operate its WMP for the 12-month period beginning January 5, 2023.

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

A. Description of Utility Expense

PacifiCorp's WMP describes the investments to construct, maintain, and operate electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire. The WMP includes incremental capital investments for system hardening (including system automation and fuse replacement), situational awareness (including weather station installs and fire impact modelling), system operations, and public safety partner coordination. The WMP also includes incremental operating costs for several measures including but not limited to risk modeling, inspection and correction, and vegetation management. PacifiCorp seeks to continue deferral of its full WMP operating costs and capital investments incurred for later inclusion in rates.

B. Reasons for Deferral

As discussed above, PacifiCorp requests reauthorization to defer the operating costs and capital investments made to implement and operate its WMP. 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.

PacifiCorp's application is consistent with SB 762 and with the Commission's previous approval of deferred accounting applications.

C. Proposed Accounting

If this application is approved, PacifiCorp proposes to record deferred amounts to Federal Energy Regulatory Commission account 182.3, Other Regulatory Assets. This account will accrue interest at the Commission-authorized rate for deferred accounts.

D. Estimate of Amounts

For 2023, PacifiCorp estimates it will incur approximately \$102.6 million in incremental capital investments and approximately \$13.8 million in incremental operating costs associated with the WMP.

E. Notice

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

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

PacifiCorp provides the following information required by OAR 860-027-0300(4):

A. Entries in the Deferred Account to Date

Exhibit B of the Application provides the entries in the deferred account to date.


B. Reason for Continuation of Deferred Accounting

As discussed in this application, continuation of this deferral is necessary to track the ongoing operating costs and prudent capital investments made to implement and operate the Company's annual WMP filed in accordance with SB 762.

VI. CONCLUSION

For the reasons set forth above, in accordance with ORS 757.259(2)(e), PacifiCorp respectfully requests authorization for a deferred account beginning on January 5, 2023, to track WMP operating costs and capital investments.

Respectfully submitted this 5th day of January, 2023.

By: 
Carla Scarsella
Deputy General Counsel

Attorney for PacifiCorp d/b/a Pacific Power

Exhibit A

Notice of Application

EXHIBIT A

NOTICE

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2221(1)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred
Accounting for Operating Costs and Capital
Investments Made to Implement and Operate
PacifiCorp's Oregon Wildfire Protection Plan

**NOTICE OF
APPLICATION FOR DEFERRED
ACCOUNTING**

On January 5, 2023, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) filed an application with the Public Utility Commission of Oregon (Commission) for an order to permit tracking of the operating costs incurred and prudent capital investments made to implement and operate the Company's annual wildfire protection plan (WPP) filed in accordance with Senate Bill 762. PacifiCorp respectfully requests authorization for 12 months beginning January 5, 2023. To obtain a copy of the application, contact the following:

Oregon Dockets
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

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

Respectfully submitted on January 5, 2023.

By:



Carla Scarsella
Deputy General Counsel

CERTIFICATE OF SERVICE

I certify that I delivered 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.

Service List UE 399

PACIFICORP	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 oregondockets@pacificorp.com	KATHERINE A MCDOWELL MCDOWELL RACKNER & GIBSON PC 419 SW 11TH AVE., SUITE 400 PORTLAND, OR 97205 katherine@mrg-law.com
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Dated this 5th day of January 2023.



 Santiago Gutierrez
 Coordinator, Regulatory Operations

Exhibit B

**OR Wildfire Protection Plan
189016**

Deferral Docket UM 2221
Deferral Order 22-258
Interest 7.137%

	Beg Balance	Total Deferred Costs *	Interest	Ending Balance
Jan-22	-	-	-	-
Feb-22	-	-	-	-
Mar-22		3,783,934.40	11,252.47	3,795,186.87
Apr-22	3,795,186.87	1,261,717.36	26,323.91	5,083,228.14
May-22	5,083,228.14	2,839,514.63	38,676.51	7,961,419.28
Jun-22	7,961,419.28	3,396,498.52	57,450.88	11,415,368.68
Jul-22	11,415,368.68	4,554,504.71	81,436.86	16,051,310.25
Aug-22	16,051,310.25	3,917,811.86	107,115.76	20,076,237.87
Sep-22	20,076,237.87	5,921,015.59	137,011.04	26,134,264.50
Oct-22	26,134,264.50	3,290,899.87	165,219.85	29,590,384.23
Nov-22	29,590,384.23	1,276,336.91	179,784.32	31,046,505.45
		30,242,233.85	804,271.60	

* Detail available upon request