

January 6, 2023

## VIA ELECTRONIC FILING

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

RE: UM 2223(1)—PacifiCorp's Application for Reauthorization of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act

PacifiCorp d/b/a Pacific Power submits for filing its Application for Reauthorization of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act.

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 PacifiCorp

Portland, OR 97232 825 NE Multnomah Street, Suite 2000

oregondockets@pacificorp.com 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 Street, Suite 2000

Portland, OR 97232

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

Sincerely,

Matthew McVee

- plant of the

Vice President, Regulatory Policy and Operations

Enclosures

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

**UM 2223(1)** 

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act 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 track the costs and revenues associated with House Bill (HB) 2475 Energy Affordability Act. PacifiCorp respectfully requests reauthorization for the 12 months beginning on January 6, 2023.

### II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

Oregon Dockets Carla Scarsella

PacifiCorp Deputy General Counsel

825 NE Multnomah Street, Suite 2000 PacifiCorp

Portland, OR 97232 825 NE Multnomah Street, Suite 2000

Email: oregondockets@pacificorp.com 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): <u>datarequest@pacificorp.com</u>
By regular mail: <u>Data Request Response Center</u>

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

In May 2021, the Governor of Oregon signed into law HB 2475, the Energy Affordability Act. This bill amends ORS 757.230 (1) to provide that utilities may take into account the "differential energy burdens on low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers" when designing rates and provides utilities with the opportunity to offer a bill discount to income-qualified eligible residential customers.

On January 6, 2022, PacifiCorp filed an application for authorization to defer the incremental costs and revenues associated with implementation and administration of HB 2475. The Commission approved the deferral application on March 24, 2022, in Order No. 22-094, to defer costs and revenues to implement rate mitigation measures authorized under HB 2475(7)(1). However, in Order 22-094, PacifiCorp was directed to establish a separate deferral account to track the incremental administrative costs associated with the rate mitigation measures.<sup>1</sup>

On June 16, 2022, PacifiCorp filed Advice No. 22-008/docket UE 409 to implement Schedule 7, Low-Income Discount, its interim low-income bill discount for residential customers. The filing also included implementation of Schedule 92, Low-Income Discount Cost Recovery Adjustment. The Commissioned approved the Company's filing on September 1, 2022, in Order No. 22-317.

1

<sup>&</sup>lt;sup>1</sup> On March 29, 2022, in accordance with Order No. 22-094, PacifiCorp filed an application under docket UM 2238 to defer the incremental administrative costs associated with HB 2475. The Commission approved the deferral application on June 2, 2022, in Order No. 22-198, for the 12 months beginning on March 29, 2022.

In this application, PacifiCorp requests reauthorization to continue deferral of the costs and revenues to implement rate mitigation measures authorized under HB 2475(7)(1) for the 12-month period beginning on January 6, 2023.

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

## A. Description of Utility Expense

PacifiCorp plans to track the costs and revenues to implement rate mitigation measures authorized under HB 2475(7). Specifically, the balancing account will track the ongoing difference between the low-income discounts provided to customers under Schedule 7 and the amount recovered through Schedule 92. Incremental costs associated with the administration of rate mitigation measures will be tracked separately under the deferral account authorized in docket UM 2238.

#### **B.** Reasons for Deferral

As discussed above, PacifiCorp requests authorization to continue deferral of the incremental costs and revenues to implement HB 2475. 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. Commission approval of PacifiCorp's application will support the continued use of an automatic adjustment clause and associated balancing account to track the costs and revenues from the program separate from PacifiCorp's other costs and revenues. Granting this Application will minimize the frequency of rate changes and match appropriately the costs borne by, and benefits received by customers.

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

## C. Proposed Accounting

If this application is approved, PacifiCorp will continue 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

PacifiCorp estimates the initial annual cost for Schedule 7 will be approximately \$4.84 million.

#### 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 costs and revenues to implement rate mitigation measures authorized under HB 2475(7).

### 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 6, 2023, to track the incremental costs and revenues for associated with HB 2475.

Respectfully submitted this 6<sup>th</sup> 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 2223(1)** 

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING

On January 6, 2023, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferred accounting to track the costs and revenues associated with House Bill 2475 Energy Affordability Act. The authorization 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: 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 6, 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 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           | KATHERINE A MCDOWELL                |
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| PORTLAND, OR 97232                      | SW 11TH AVE., SUITE 400             |
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| <u>blc@dvclaw.com</u>                   |                                     |
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| RICHARDSON ADAMS, PLLC                       | CALPINE ENERGY SOLUTIONS, LLC                  |
| PO BOX 7218                                  | 401 WEST A ST, STE 500                         |
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| greg@richardsonadams.com                     | greg.bass@calpinesolutions.com                 |
| KEVIN HIGGINS (C)                            |  |
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| khiggins@energystrat.com                     |  |
| Kinggins(a)chergystrat.com                   |  |
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| MICHAEL GOETZ (C)                            | WILLIAM GEHRKE (C)                             |
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| JUSTIN BIEBER (C)                            | KURT J BOEHM (C)                               |
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| <u>,                                    </u> |  |
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| REED CONSULTING                           | SOMACH SIMMONS & DUNN            |  |  |  |  |  |  |
| 10025 HEATHERWOOD LANE                    | 500 CAPITOL MALL STE 1000        |  |  |  |  |  |  |
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| NEWSUN ENERGY                             | <u> </u>                         |  |  |  |  |  |  |
| JACOB (JAKE) STEPHENS                     | MAX YOKLIC                       |  |  |  |  |  |  |
| NEWSUN ENERGY                             | NEW SUN ENERGY LLC               |  |  |  |  |  |  |
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| MARIE P BARLOW                            |                                  |  |  |  |  |  |  |
| NEWSUN ENERGY LLC                         |                                  |  |  |  |  |  |  |
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| NIPPC                                     |                                  |  |  |  |  |  |  |
| CARL FINK                                 | SPENCER GRAY                     |  |  |  |  |  |  |
| BLUE PLANET ENERGY LAW LLC                | NIPPC                            |  |  |  |  |  |  |
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|   |                                  |  |  |  |  |  |  |
| OREGON FARM BUREAU                        |                                  |  |  |  |  |  |  |
| PAUL S SIMMONS (C)                        | MARY ANNE COOPER (C)             |  |  |  |  |  |  |
| OREGON FARM BUREAU FEDERATION             | OREGON FARM BUREAU FEDERATION    |  |  |  |  |  |  |
| 550 CAPITOL MALL STE 1000                 | 1320 CAPITOL ST NE STE 200       |  |  |  |  |  |  |
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|   |                                  |  |  |  |  |  |  |
| grant@utilityadvocates.org                | 621 SW MORRISON ST. STE 1025     |  |  |  |  |  |  |
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| WILLIAM STEELE (C)                        |                                  |  |  |  |  |  |  |
| BILL STEELE AND ASSOCIATES, LLC           |                                  |  |  |  |  |  |  |
| PO BOX 631151                             |                                  |  |  |  |  |  |  |
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| w.steerer(wicroud.com                     |                                  |  |  |  |  |  |  |
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| VITESSE                      |                             |  |  |  |  |  |  |
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| DENNIS BARTLETT              | LIZ FERRELL                 |  |  |  |  |  |  |
| META PLATFORMS, INC.         | META PLATFORMS, INC.        |  |  |  |  |  |  |
| 1 HACKER WAY                 | 1 HACKER WAY                |  |  |  |  |  |  |
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| IRION A SANGER               |                             |  |  |  |  |  |  |
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| VICKI M BALDWIN (C)          | STEVE W CHRISS (C)          |  |  |  |  |  |  |
| PARSONS BEHLE & LATIMER      | WAL-MART STORES, INC.       |  |  |  |  |  |  |
| 201 S MAIN ST STE 1800       | 2001 SE 10TH ST             |  |  |  |  |  |  |
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| area.kronauer(a) wannart.com |                             |  |  |  |  |  |  |

Dated this 6<sup>th</sup> day of January 2023.

Santiago Gutierrez
Coordinator, Regulatory Operations

## Exhibit B

Entries in the Deferred Account to Date

Deferral for HB 2475 (Schedule 7 - Low-Income Discount) 187302

Deferral Docket UM 2223 Deferral Order 22-094 Interest 1.82%

|        |                | OR Low Income Balancing Account |                            |         |               |                         |         |          |         |         |             |
|--------|----------------|---------------------------------|----------------------------|---------|---------------|-------------------------|---------|----------|---------|---------|-------------|
|        | Beginning      |                                 | Sch. 7                     | Sch. 92 |               | <b>Customer Payment</b> |         | Accrued  |         | Ending  |             |
| Period | Balance        |                                 | <b>3 3 3 3 3 3 3 3 3 3</b> |         | 55 5 <u>-</u> | Returns                 |         | Interest |         | Balance |             |
| Oct-22 | \$ -           | \$                              | 122,630.94                 | \$      | (153,133.56)  |                         |         | \$       | (23.13) | \$      | (30,525.75) |
| Nov-22 | \$ (30,525.75) | \$                              | 453,979.90                 | \$      | (383,485.72)  | \$                      | (35.44) | \$       | 7.13    | \$      | 39,940.12   |
|        | YTD TOTAL      | \$                              | 576,610.84                 | \$      | (536,619.28)  | \$                      | (35.44) | \$       | (16.00) |         |             |