825 NE Multnomah Street, Suite 2000 Portland, Oregon 97232



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 2224(1)—PacifiCorp's Application for Approval of Deferred Accounting for Costs and Revenues Associated with the Transportation Electrification Charge in House Bill 2165

PacifiCorp d/b/a Pacific Power submits for filing its Application for Reauthorization of Deferred Accounting for Costs and Revenues Associated with the Transportation Electrification Charge in House Bill 2165.

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 Street, Suite 2000 Portland, OR 97232

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

Sincerely,

= M/l/n

Matthew McVee Vice President, Regulatory Policy and Operations

Enclosures

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

# UM 2224(1)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting for Costs and Revenues Associated with the Transportation Electrification Charge in House Bill 2165

# APPLICATION FOR REATHORIZATION OF 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 the Transportation Electrification (TE) charge established by

House Bill (HB) 2165. The TE charge was approved by the Commission effective

January 1, 2022, and is collected through the System Benefits Charge, Schedule 291.<sup>1</sup>

## II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

Oregon Dockets PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: <u>oregondockets@pacificorp.com</u> Carla Scarsella Deputy General Counsel PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 Email: <u>carla.scarsella@pacificorp.com</u>

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

<sup>&</sup>lt;sup>1</sup> See PacifiCorp Advice Letter 21-022 filed November 15, 2021, effective January 1, 2022.

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

In May 2021, the Governor of Oregon signed into law HB 2165. Section 2 (2) of the

bill states:

An electric company that makes sales of electricity to 25,000 or more retail electricity consumers in this state shall collect, through monthly meter charges, an amount from each retail electricity consumer served through the distribution system owned and operated by the electric company, regardless of whether the retail electricity consumer purchases the electricity from the electric company. The total amounts collected under this section must be set to one quarter of one percent of the total revenues collected by the electric company from all retail electricity consumers

The law went into effect on January 1, 2022. On November 15, 2021, PacifiCorp filed Advice

Letter 21-022 to begin collecting the TE charge through the System Benefits Charge,

Schedule 291, effective January 1, 2022. The Commission approved the Company's filing on

December 28, 2021.

On January 7, 2022, PacifiCorp filed an application requesting authorization to defer

certain costs and revenues associated with implementation and administration of HB 2165 for

the 12-month period beginning January 7, 2022. The Commission approved the application

on June 2, 2022, in Order No. 22-199.

In this application, PacifiCorp requests reauthorization to continue deferral of the costs and revenues associated with the TE charge for the 12-month period beginning on

January 7, 2023.

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

#### A. Description of Utility Expense

HB 2165 Section 2 requires that the total amounts collected under this law be set to one quarter of one percent of the total revenues collected by the electric company from all retail electricity consumers. Section 3 requires that the funds collected must be expended by the electric company to support and integrate transportation electrification and must be consistent with a budget approved by the Commission. Section 3 also requires that expenditures made by an electric company must be made on elements contained within the electric company's transportation electrification plan accepted by the commission pursuant to ORS 757.357.

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

As discussed above, PacifiCorp requests reauthorization to defer certain costs and revenues associated with implementing and administering the TE charge required by HB 2165. 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.

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# 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

House Bill 2165 provides that the funding for transportation electrification programs will be one quarter of one percent of revenues. The TE charge approved in Advice Letter 21-022 is designed to collect approximately \$3.2 million annually. PacifiCorp anticipates filing to update the rate in the first quarter of 2023.

## 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 certain costs and revenues associated with implementing and administering the TE charge required by HB 2165.

# VI. CONCLUSION

For the reasons set forth above, in accordance with ORS 757.259(2)(e), PacifiCorp respectfully requests reauthorization for a deferred account beginning on January 7, 2023, to track certain costs and revenues associated with HB 2165.

Respectfully submitted this 6<sup>th</sup> day of January, 2023.

By: Carla Scarsella 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 2224(1)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting for Costs and Revenues Associated with the Transportation Electrification Charge in House Bill 2165

## NOTICE OF APPLICATION FOR DEFERRED ACCOUNTING

On January 6, 2023, PacifiCorp d/b/a Pacific Power 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 the Transportation Electrification

charge established by House Bill 2165. 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 written comments to the Commission regarding the

application within 25 days of the date of this filing.

Respectfully submitted on January 6, 2023.

By:

Scarsella

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.

PACIFICORP	
PACIFICORP, DBA PACIFIC POWER	KATHERINE A MCDOWELL
825 NE MULTNOMAH ST, STE 2000	MCDOWELL RACKNER & GIBSON PC 419
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	katherine@mrg-law.com
CARLA SCARSELLA (C)	
PACIFICORP	
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# Service List UE 399

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

Santiago Gutierrez Coordinator, Regulatory Operations

# Exhibit B

Entries in the Deferred Account to Date

## OR Transportation Electrification YTD 2022 GL 187665 UM 2224(1)

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	Actg Pd	В	Beg Balance		Sch 291 Collections		Non Residential Charging Pilot Program	DR Residential Charging Pilot Program	OR Outreach & Education Charging Pilot Program		Education Charging		Stakeholder Engagement		Public Infrastructure		Interest		End Balance
2022	1	\$	4,880.00	\$	(147,835.33)	\$	-	\$ -	\$	19,000.00	\$	-	\$	-	\$	(354.10)	\$ (124,309.43)		
	2	\$	(124,309.43)	\$ (	(283,322.08)	\$	-	\$ -	\$	51,891.50	\$	-	\$	-	\$	(1,427.55)	\$ (357,167.56)		
	3	\$	(357,167.56)	\$ /	(259,499.34)	\$	-	\$ 4,635.50	\$	1,940.79	\$	-	\$	-	\$	(2,876.38)	\$ (612,966.99)		
	4	\$	(612,966.99)	\$ /	(239,434.73)	\$	5,162.00	\$ 1,602.00	\$	22,368.00	\$	-	\$	-	\$	(4,271.01)	\$ (827,540.73)		
	5	\$	(827,540.73)	\$ /	(231,962.63)	\$	9,998.00	\$ 16,848.00	\$	91,299.21	\$	-	\$	-	\$	(5,260.26)	\$ (946,618.41)		
	6	\$	(946,618.41)	\$ /	(222,918.03)	\$	6,020.50	\$ 1,496.00	\$	47,970.12	\$	-	\$	-	\$	(6,127.91)	\$ (1,120,177.74)		
	7	\$ (	(1,120,177.74)	\$ /	(239,495.59)	\$	16,465.00	\$ 14,020.00	\$	8,475.15	\$	-	\$	-	\$	(7,258.60)	\$ (1,327,971.77)		
	8	\$ (	(1,327,971.77)	\$ (	(285,395.27)	\$	5,468.00	\$ 6,952.07	\$	71,306.76	\$	14,883.75	\$	-	\$	(8,453.56)	\$ (1,523,210.03)		
	9	\$ (	(1,523,210.03)	\$ (	(259,712.73)	\$	13,706.00	\$ 23,206.00	\$	6,799.20	\$	12,104.00	\$	-	\$	(9,665.63)	\$ (1,736,773.19)		
	10	\$ (	(1,736,773.19)	\$ /	(219,527.19)	\$	37,795.00	\$ 7,750.00	\$	20,712.61	\$	56,293.63	\$	9,385.25	\$	(10,589.93)	\$ (1,834,953.82)		
	11	\$ (	(1,834,953.82)	\$ [	(254,336.50)	\$	9,165.00	\$ 11,010.00	\$	33,275.46	\$	3,777.75	\$	890.00	\$	(11,496.89)	\$ (2,042,669.00)		
			-	ΥT	D TOTAL	\$	103,779.50	\$ 87,519.57	\$	375,038.80	\$	87,059.13	\$	10,275.25	\$	(67,781.83)			