ITEM NO. CA7

PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: September 26, 2018

REGULAR CONSENT X EFFECTIVE DATE October 1, 2017

DATE: September 07, 2017

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Jason Eisdorfer and Marc Hellman

SUBJECT: <u>PACIFIC POWER</u>: (Docket ADV 622/Advice No. 17-005) Continuation of the Low-income Bill Payment assistance.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Pacific Power's (PacifiCorp or Company) Advice No. 17-005, effective October 1, 2017, as requested.

DISCUSSION:

Issue

Whether the Commission should allow PacifiCorp to remove the expiration date for the temporary increase to the low-income assistance charge.

Applicable Law

PacifiCorp's filing encompasses tariff sheets which are governed by ORS 757.205, 757.210, and by OAR 860-022-0025.

PacifiCorp's Schedule 91 collects funds for electric low-income bill payment assistance as specified in ORS 757.612 Section (7)(b) and in ORS 757.612 Section 3. Section 1(7)(b) of Senate Bill (SB) 461 (Chapter 837, Oregon Laws 2007) requires electric companies in Oregon to establish a rate to collect approximately \$15 million dollars per year, starting in 2008 for low-income bill assistance. SB 863 (Chapter 566, Oregon Laws 2011), Section (3)(1) required the Commission to direct electric companies to collect and disburse an additional combined total of \$5 million per 12PacifiCorp Advice No. 17-005 September 07, 2017 Page 2

month period from residential customers for a maximum of two periods, based on a determination by Oregon Housing and Community Services (OHCS) that certain criteria had been met.

The Commission approved these temporary adjustments for two consecutive 12-month periods ending October 4, 2013. House Bill (HB) 2004 (Chapter 254, Oregon Laws 2013), Section (3)(1) extended the temporary collection of the combined total \$5 million for an additional 24 months.

Subsequently, the legislature passed HB 3257 in the regular 2015 Oregon Legislative Session, extending the sunset date of the supplemental low-income assistance to January 2, 2018.

HB 2134 becomes effective January 2, 2018, and combines the amounts for low income bill payment assistance to be collected by electric utilities that include \$15 million described in ORS 757.612(7)(b) and the \$5 million described in Sections 3 and 4, Chapter 566 Oregon Laws 2011.

<u>Analysis</u>

PacifiCorp filed Advice No. 17-005 on August 28, 2017, with an effective date of October 1, 2017. In this filing, PacifiCorp seeks to remove the expiration date for the temporary increase to the low-income assistance charge in compliance with HB 3257, HB 2004, and HB 2134.

PGE, jointly with PacifiCorp, is already collecting a combined amount of \$20 million through Schedule 115 and Schedule 91, respectively. The proposed tariff change will result in the continuation of the temporary increase of 34 cents per customer to approximately 497,000 residential customers, consistent with the legislation described above. The proposed change has no impact on current rates.

The Company has reviewed this memo and voiced no concerns.

Conclusion

Staff supports Commission adoption of the Company's filling.

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PROPOSED COMMISSION MOTION:

Allow PacifiCorp's Advice No.17-005 to go into effect for service rendered on and after October 1, 2017.

ADV. 17-005