

November 27, 2019

VIA ELECTRONIC FILING

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**RE: Docket UE-152253—Compliance Filing
Schedule 93—Annual Decoupling Revenue Adjustment**

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In accordance with RCW 80.28.060, WAC 480-07-880, and WAC Chapter 480-80, Pacific Power & Light Company (Pacific Power), a division of PacificCorp, submits the following revised tariff sheet applicable to Pacific Power's electric service in the state of Washington. Pacific Power respectfully requests an effective date of February 1, 2020.

The revised tariff sheets are designated as follows:

Third Revision to Sheet No. 93.1 Schedule 93 Decoupling Revenue Adjustment

Pacific Power's third decoupling period, which encompasses the twelve months ended June 30, 2019, results in an overall surcredit of approximately \$11.9 million, or 3.4 percent. The enclosed tariff sheets implement the changes to rates under the company's decoupling mechanism, which was approved in 2016.

The company's current Schedule 93, which became effective on February 1, 2019, credited \$1,025,096 to Schedule 24 customers through a 0.191 cents per kilowatt-hour surcredit, \$1,653,566 to Schedule 36 customers through a 0.178 cents per kilowatt-hour surcredit, and \$508,615 to Schedule 40 customers through a 0.316 cents per kilowatt-hour surcredit.

In this year's calculation, the deferral balance exceeded the 2.5 percent surcredit rate trigger for every decoupled customer class, and will result in a total surcredit of \$11,904,081. This results in an overall net decrease of 2.5 percent to customers from current decoupling rates.

The enclosed Attachment A shows the monthly results of the decoupling mechanism including each decoupled class's monthly deferral for the twelve months ended June 30, 2019. Attachment B shows the calculation of the amount that the company estimates the cumulative deferral balance to be on February 1, 2020. Attachment C shows the calculation of the proposed rates including the effect of the earnings test, triggers and caps. Attachment D reflects the price impact of this year's decoupling results. Attachment E shows the overall cumulative change from current rates to proposed rates for the decoupled rate classes. Combined with the impact of the expiring surcredits, this reflects a 3.3 percent decrease for residential customers, a 1.5 percent

decrease for Schedule 24 small general service customers, a 3.8 percent decrease for Schedule 36 large general service customers, and a 0.9 percent decrease for irrigation customers. Table 1 below provides a summary of the changes by rate schedule:

Table 1

Schedule	Current Rate	Proposed Rate	Current Period Results	Overall Rate Impact
16, 17 & 18 (Residential)	0.000 ¢/kwh	-0.316 ¢/kwh	-3.3%	-3.3%
24 (Small General)	-0.191 ¢/kwh	-0.335 ¢/kwh	-3.6%	-1.5%
36 (Large General)	-0.178 ¢/kwh	-0.486 ¢/kwh	-6.0%	-3.8%
40 (Irrigation)	-0.316 ¢/kwh	-0.392 ¢/kwh	-4.4%	-0.9%

As discussed in Order 12 in Docket UE-152253, the company is committed to conducting an evaluation of the decoupling mechanism that will analyze the mechanism's impact on conservation, revenues, fixed-cost recovery, and relationship to each decoupled class's cost of service at the end of the third year. The company has discussed its options for this evaluation with Staff and is planning to submit it to the Commission in this docket once it is complete.

It is respectfully requested that all formal correspondence and data requests regarding this filing be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

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

Please direct any informal inquiries regarding this filing to Ariel Son at (503) 813-5410.

Sincerely,

 /s/
Etta Lockey
Vice President, Regulation
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Enclosures

Attachments

Attachment A: Deferral Year 3 Detail Calculation

Attachment B: Cumulative Deferral Balance Calculation

Attachment C: Calculation of Schedule 93 Rates effective February 1, 2020

Attachment D: Estimated Proposed Effect of Rate Change

Attachment E: Estimated Proposed Effect of Rate Change from Current Rates

Attachment F: Proposed Schedule 93

Attachment G: Summary of Tariffs