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Jeff Killip
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E.
P.O. Box 47250
Lacey, WA 98504-7250

RE: Docket UE-240185—*In the Matter of PacifiCorp d/b/a Pacific Power & Light Company, Petition for an Order Approving Deferral of Approved Rate Increase Beyond Rate Effective Date*

PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp) provides these comments to the Washington Utilities and Transportation Commission (Commission) in support of the Company's deferral filing and responds to the Recommendation and Memo issued by Staff on October 7, 2024. PacifiCorp is concerned that Staff's memo misrepresents PacifiCorp's request, and now provides these comments to clarify the Company's request and provide further support for the legal and policy reasons for this deferral.

On March 19, 2024, PacifiCorp filed a request for a deferral to specifically recover the costs of the Company's rate increase from Docket UE-230172 for the time period between the end of the statutory suspension period and the beginning of new rates after the compliance filing. The basis for this request is that when the Commission issues an order on the final date of the suspension period, it results in the compliance timeframe exceeding the statutory suspension period. The statutory suspension date refers to the period under RCW 80.04.130, which allows the Commission to suspend any change in tariff rates "for a period not exceeding ten months from the time the same [rate] would otherwise go into effect."¹ This ten-month period combined with the 30-day statutory notice period to the Commission under RCW 80.28.060 results in an 11-month statutory period for the Commission to suspend rates. As noted in Order 01 from Docket UE-230172, the statutory suspension period was calculated from April 19, 2023, and ends on March 19, 2024.²

Staff's memo, however, seems to suggest that the delay is related to the minor administrative issues that arose in the filing of the Company's case.³ However, this is not correct, the delays in the initial filing are not the issue that PacifiCorp is raising in this deferral. Those delays resulted

¹ RCW 80.04.130 (1).

² Order 01 at ¶14, This order is provided as Attachment A to Staff's Open Meeting Memo.

³ Staff Open Meeting Memo at 2 ("PacifiCorp did not meet the first criteria because the Company is responsible for ensuring its filing is correct. Staff gave the Company multiple opportunities to correct its filing in this proceeding. PacifiCorp has ultimate control over its own general rate case filing.")

in an updated rate effective date from March 1, 2024, to March 19, 2024,⁴ which the company is not disputing at this time. The delay that concerns PacifiCorp is the period that occurred from March 19, 2024 to April 3, 2024, which is the period during which the compliance filing took place consistent with the requirements of WAC 480-07-880. As PacifiCorp noted in its original deferral application, nearly all orders from PacifiCorp's previous general rate case filings have allowed for time before the end of the suspension period for the compliance filing process to occur.⁵ The statute on suspension remains clear, the suspension period shall not exceed ten months from the date the tariffs would otherwise go into effect.⁶

The standard for granting an accounting petition is the presence of extraordinary circumstances that: (1) are beyond a Company's control; and (2) cause a material impact.⁷ In this case, the Company has no control over whether the Commission will issue an order with sufficient time to provide for a compliance filing. Additionally, the Company identified that every week of the delay, it would cost \$243,000 to the Company. This is certainly a material impact.

To deny this deferral would set a policy precedent that could allow for an indefinite suspension of a utility tariff. Essentially, a party could simply dispute the compliance under WAC 480-07-880(6), and the Commission could set additional process that occurs beyond the statutory suspension period and results in a significant delay to a necessary rate increase. Additionally, denying this deferral creates adverse incentives on the utility to rush and work as quickly as possible to get its compliance filing done instead of taking an additional day or two to ensure that the filing is fully vetted. Utilities already face a significant time crunch when modeling updates are directed by the Commission order, and prolonging the compliance process beyond the suspension period without a mechanism for recovery creates adverse policy incentives.

The Company respectfully requests that the Commission grant the deferral as provided in this petition.

⁴ PacifiCorp filed its general rate case on March 17, 2023, and requested a March 1, 2024 rate effective date. In Order 01 in Docket No. UE-230172, the Commission determined that the revised filing was complete on April 19, 2023, resulting in an 11-month suspension period ending on March 19, 2024.

⁵ *WUTC v. PacifiCorp d/b/a Pacific Power & Light Co.*, Docket No. UE-191024 (The suspension date was January 1, 2021, the Commission issued the final order on December 14, 2020, PacifiCorp made a compliance filing on December 18, 2020, and Commission acknowledgement of the compliance filing occurred on December 30, 2020); *WUTC v. PacifiCorp d/b/a Pacific Power & Light Co.*, Docket No. UE-130043 (The suspension date was December 11, 2013, Commission issued a final order on December 4, 2013, PacifiCorp filed a compliance filing on December 6, 2013, and Commission acknowledgement of the compliance filing occurred on December 9, 2013); *WUTC v. Pacific Power & Light Co.*, Docket No. UE-111190 (The suspension date was May 31, 2012, the final order was issued March 30, 2012, compliance tariffs had been previously filed with the stipulation, and the Commission accepted the compliance tariffs on April 9, 2012).

⁶ RCW 80.04.130 (1); *General Telephone Co. of the Northwest, Inc. v. Wash. Util. & Transp. Comm'n*, 706 P.2d 625, 629 (Wash. 1985) ("If the Commission fails to vacate the increase, or fails to act within the 10-month period, the full increase takes effect.").

⁷ *In the matter of Petition of Avista Corporation d/b/a Avista Utilities*, Docket No. UE-200900, Order 01 (October 27, 2022) ("The threshold for approving accounting petitions is the presence of extraordinary circumstances that (1) are beyond a Company's control and (2) cause a material impact.").

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Sincerely,

 /s/

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Enclosure

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