



September 6, 2022

**VIA ELECTRONIC FILING**

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09/06/22 16:41  
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COMMISSION

**RE: Docket U-210590—PacifiCorp’s Comments and Proposed Metrics****I. Introduction**

The Washington Utilities and Transportation Commission (Commission) requested comments in this proceeding to specifically identify metrics based on the goals that had been identified through the workshop with participants on July 15, 2022. PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) provides these comments along with an additional attachment (Attachment A) detailing the proposed metrics.

As stated in PacifiCorp’s comments filed on June 13, 2022, the Company supports performance metrics that are simple, effective, and flexible enough to be tailored to the individual circumstances of each utility. PacifiCorp additionally feels it is important to provide some additional comments on the overarching structure of metrics that may be chosen in any performance-based ratemaking scheme adopted by the Commission. Specifically, PacifiCorp recommends that any metrics developed through this process work to complement each other and work to create better cohesion and reduce administrative burdens with regards to this process and other existing reporting and metrics that are already collected and provided to the Commission. As the Commission and stakeholders continue this process, PacifiCorp would appreciate if the following topics were considered when evaluating individual metrics:

- **Cohesion:** Metrics should not be operated at cross-purposes with other metrics, nor should metrics be designed differently or work at cross-purposes with existing activities that are ongoing. For example, an energy efficiency or demand-side management (DSM) metric that is adopted and used to evaluate a performance outcome should complement and not oppose goals or outcomes that are being pursued through existing energy efficiency and DSM goals that have been developed with stakeholders through existing advisory groups.
- **Specificity:** All utilities do not need the same metrics, nor do they need to be set the same way for all utilities. Each utility in Washington has a unique customer base and each company has different strengths and different challenges. PacifiCorp operates in six states with approximately 8 percent of its customers being located in the state of Washington. Additionally, the needs of customers in Yakima or Walla Walla for PacifiCorp differ

significantly from the customers of utilities in the larger cities or more densely packed urban areas of Washington.

- **Efficiency:** Metrics should promote administrative efficiency for utilities, stakeholders, and the Commission. Utilities, stakeholders, and the Commission are all constrained by limited resources. The development of overly complex metrics that attempt to measure or achieve a very specific outcome can place an undue burden on both the utilities collecting the data and the stakeholders evaluating the data. The outcomes that have been identified in the July workshop are broad and the process of identifying outcomes is necessarily targeted. The targeted and specific nature of a metric should not impede a broader or more qualitative approach to the policy goal from being achieved.

PacifiCorp views this process of performance-based ratemaking as the integration of existing policies and metrics into a single unified regulatory structure, and not as simply another layer of regulation to place on utilities. PacifiCorp supports the goals and outcomes that have been identified because they are broad enough to allow for this comprehensive integration. PacifiCorp appreciates the measured approach that has been taken by the Commission and Commission Staff, which allows for this consideration in this process.

## **II. Response to Questions**

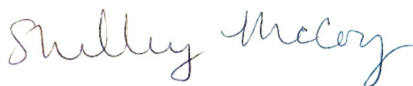
Please refer to Attachment A for PacifiCorp's preliminary list of proposed metrics. PacifiCorp reserves the right to propose changes or new metrics in response comments.

## **III. Conclusion**

PacifiCorp has continually supported the core principle of providing safe and reliable service with affordable rates. PacifiCorp supports the use of new regulatory mechanisms to the extent they help the Company meet these goals.

PacifiCorp remains committed to extensively participating in this proceeding and working with the Commission and stakeholders through this process. PacifiCorp further appreciates the continued opportunity to provide written comments as this proceeding continues.

Sincerely,



Shelley McCoy,  
Director, Regulation

Enclosures

210590-PAC-Attachment-A-9-6-2022.xlsx