

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFIC POWER & LIGHT
COMPANY

Respondent.

DOCKET UE-191024

ORDER 01

COMPLAINT AND ORDER
SUSPENDING TARIFF REVISIONS

BACKGROUND

- 1 On December 13, 2018, Pacific Power & Light Company (Pacific Power or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective tariff, WN U-75 for Electric Service, as listed in the appendix attached to this Order. The purpose of this filing is to increase rates and charges for electric service provided to customers in the state of Washington.
- 2 In its filing, Pacific Power proposes an increase in revenues of approximately \$3.1 million from Washington operations. The Company proposes, however, to offset this increase by the amortization of remaining deferred tax benefits associated with the Tax Cuts and Jobs Act (TCJA) of approximately \$7.1 million, resulting in an overall rate reduction of \$4.0 million, or approximately 1.1 percent.
- 3 The Company agrees to waive presentation of its filing at an open meeting and to suspension of the tariffs pending Commission investigation. Pacific Power's proposed tariff schedules are dated March 1, 2020, and the Company requests a rate effective date of January 1, 2021.

DISCUSSION AND DECISION

- 4 Pacific Power's requested increase might injuriously affect the rights and interests of the public, and Pacific Power has not demonstrated that the increase would result in rates that are fair, just, reasonable, and sufficient. The Commission, therefore, suspends the tariff

filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable, and sufficient.

FINDINGS AND CONCLUSIONS

- 5 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, transfers of property, and affiliated interests of public service companies, including electric companies.
- 6 (2) Pacific Power is an electric company and a public service company subject to Commission jurisdiction.
- 7 (3) The tariff revisions Pacific Power filed on December 13, 2019, would increase charges and rates for service provided by Pacific Power and might injuriously affect the rights and interest of the public.
- 8 (4) Pacific Power has not yet demonstrated that the proposed tariff revisions would result in rates that are fair, just, reasonable, and sufficient.
- 9 (5) Pacific Power's rates and charges for electric service shown on any tariffs that Pacific Power does not propose to revise may also be investigated to determine if they are fair, just, reasonable, and sufficient.
- 10 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission finds it is necessary to investigate Pacific Power's books, accounts, practices and activities; to make a valuation or appraisal of Pacific Power's property; and to investigate and appraise various phases of Pacific Power's operations.
- 11 (7) The Commission finds that this docket meets the criteria of WAC 480-07-400(2)(b)(i) and that the parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.

- 12 (8) As required by RCW 80.04.130(4), Pacific Power bears the burden to prove that the proposed increases are fair, just, reasonable, and sufficient.
- 13 (9) Pacific Power may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with Chapter 80.20 RCW.

ORDER

THE COMMISSION ORDERS:

- 14 (1) The tariff revisions Pacific Power & Light Company filed on December 13, 2019, are suspended.
- 15 (2) The Commission will hold hearings at such times and places as may be required. Such hearings may also examine Pacific Power & Light Company's rates and charges for electric service shown on any tariffs that Pacific Power & Light Company does not propose to revise.
- 16 (3) Pacific Power & Light Company must not change or alter the tariffs filed in these dockets during the suspension period, unless authorized by the Commission.
- 17 (4) The Commission will institute an investigation of Pacific Power & Light Company's books, accounts, practices, activities, property, and operations as described above.
- 18 (5) Discovery will be conducted pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.

- 19 (6) Pacific Power & Light Company shall pay the expenses reasonably attributable and allocable to the Commission's investigation, consistent with Chapter 80.20 RCW.

DATED at Olympia, Washington, and effective January 9, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner

Appendix

Proposed Tariff Revisions effective January 1, 2021

Tariff WN U-75 for Electric Service		
Fourth Revision of Sheet No. INDEX.2		Tariff Index
Twelfth Revision of Sheet No. INDEX.3		Tariff Index
Sixth Revision of Sheet No. 15.1	Schedule 15	Outdoor Area Lighting Service
Sixth Revision of Sheet No. 16.1	Schedule 16	Residential Service
Eighth Revision of Sheet No. 17.1	Schedule 17	Low Income Bill Assistance Program – Residential Service Optional for Qualifying Customers
Original Sheet No. 19.1	Schedule 19	Residential Service – Time of Use Pilot
Sixth Revision of Sheet No. 24.1	Schedule 24	Small General Service
Sixth Revision of Sheet No. 24.2	Schedule 24	Small General Service
Original Sheet No. 29.1	Schedule 29	Non-Residential Time of Use Pilot
Original Sheet No. 29.2	Schedule 29	Non-Residential Time of Use Pilot
Sixth Revision of Sheet No. 36.1	Schedule 36	Large General Service – Less Than 1,000 kW
Sixth Revision of Sheet No. 36.2	Schedule 36	Large General Service – Less Than 1,000 kW
Sixth Revision of Sheet No. 40.1	Schedule 40	Agricultural Pumping Service
Fourth Revision of Sheet No. 47T.1	Schedule 47T	Large General Service – Partial Requirements Service Metered Time of Use 1,000 kW and Over
Sixth Revision of Sheet No. 48T.1	Schedule 48T	Large General Service – Metered Time of Use 1,000 kW and Over
First Revision of Sheet No. 48T.2	Schedule 48T	Large General Service – Metered Time of Use 1,000 kW and Over
Eighth Revision of Sheet No. 51.1	Schedule 51	Street Lighting Service – Company-Owned System
Fifth Revision of Sheet No. 52.1 Cancelled	Schedule 52	Street Lighting Service – Company-Owned System No New Service
Original Sheet No. 52.2 Cancelled	Schedule 52	Street Lighting Service – Company-Owned System No New Service
Fifth Revision of Sheet No. 53.1	Schedule 53	Street Lighting Service – Customer-Owned System
Fifth Revision of Sheet No. 54.1	Schedule 54	Recreational Field Lighting – Restricted

Fourth Revision of Sheet No. 57.1 Cancelled	Schedule 57	Mercury Vapor Street Lighting Service – No New Service
Fourth Revision of Sheet No. 57.2 Cancelled	Schedule 57	Mercury Vapor Street Lighting Service – No New Service
First Revision of Sheet No. 57.3 Cancelled	Schedule 57	Mercury Vapor Street Lighting Service – No New Service
Fourth Revision of Sheet No. 80.1	Schedule 80	Summary of Effective Rate Adjustments
Original Sheet No. 94.1	Schedule 94	System Transmission Adjustment
Third Revision of Sheet No. 95.1 Cancelled	Schedule 95	Renewable Energy Revenue Adjustment
Original Sheet No. 96.1 Cancelled	Schedule 96	Renewable Energy Revenue One-Time Credit
First Revision of Sheet No. 197.1	Schedule 197	Federal Tax Act Adjustment
Fourth Revision of Sheet No. 300.1	Schedule 300	Charges as Defined by the Rules and Regulations
Fourth Revision of Sheet No. 300.2	Schedule 300	Charges as Defined by the Rules and Regulations
Fourth Revision of Sheet No. 300.3	Schedule 300	Charges as Defined by the Rules and Regulations
First Revision of Sheet No. R10.4	Rule 10	General Rules and Regulations - Billing