

November 30, 2018

## VIA ELECTRONIC FILING

Mark L. Johnson Executive Director and Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive SW P.O. Box 47250 Olympia, WA 98504-7250

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

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 PacifiCorp, 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, 2019.

The revised tariff sheets are designated as follows:

Second Revision of Sheet No. 93.1 Schedule 93 Decoupling Revenue Adjustment

Pacific Power's second decoupling period, which were the twelve months ended June 30, 2018, results in an overall surcredit of approximately \$3.2 million. The enclosed tariff sheet implements 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 April 1, 2018, credited \$2,697,941 to residential customers through a 0.217 cents per kilowatt-hour surcredit and collected \$519,702 from Schedule 40 customers through a 0.331 cents per kilowatt-hour surcharge.

In this year's calculation, the deferral balance for the residential class did not exceed the 2.5 percent rate trigger. As a result, the rate for Schedule 16 and 17 customers will be set at zero once the current credit expires on February 1, 2019. The deferral balance for Schedule 40 customers, however, did exceed the rate trigger, and will result in a \$508,615 credit to irrigation customers through a 0.316 cents per kilowatt-hour surcredit.

Schedule 24 and 36 customers will also receive a surcredit. The decoupling mechanism for this year resulted in a \$1,025,096 credit to Schedule 24 customers, which will be credited through a 0.191 cents per kilowatt-hour surcredit. For Schedule 36 customers, a surcredit of 0.178 cents per kilowatt-hour will credit \$1,653,566 back to customers.

Washington Utilities and Transportation Commission November 30, 2018 Page 2

The enclosed Attachment A shows the monthly results of the decoupling mechanism including each decoupled class's deferral for the twelve months ended June 30, 2018. Attachment B shows the calculation of proposed rates including the applicable triggers and caps and the earnings test. Attachment B also shows the deferral remaining in the balancing account for the residential class. Attachment C reflects the price impact of this year's decoupling results. Attachment D shows the overall cumulative net change from current rates to proposed rates for the decoupled rate classes. Combined with the impact of the expiring surcredit and surcharge, this reflects a 1.8 percent increase for residential customers, a 2.0 percent decrease for Schedule 24 small general service customers, a 2.2 percent decrease for Schedule 36 large general service customers, and a 7.2 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
Schedule 16/17 Residential	-0.217 ¢/kwh	0.000 ¢/kwh	0.0%	1.8%
Schedule 24 Small General	0.000 ¢/kwh	-0.191 ¢/kwh	-2.0%	-2.0%
Schedule 36 Large General	0.000 ¢/kwh	-0.178 ¢/kwh	-2.2%	-2.2%
Schedule 40 Irrigation	0.331 ¢/kwh	-0.316 ¢/kwh	-3.5%	-7.2%

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

By e-mail (preferred): <u>datarequest@pacificorp.com</u>

By regular mail: Data Request Response Center

PacifiCorp

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Portland, Oregon, 97232

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

Sincerely,

/s/

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Washington Utilities and Transportation Commission November 30, 2018 Page 3

## Enclosures

## **Attachments**

Attachment A: Decoupling Mechanism Calculation

Attachment B: Proposed Schedule 93 – Decoupling Revenue Adjustment Calculation

Attachment C: Estimated Proposed Effect of Rate Change

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

Attachment E: Summary of Tariffs
Attachment F: Proposed Schedule 93