

May 1, 2013

VIA ELECTRONIC FILING

Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive SW P.O. Box 47250 Olympia, WA 98504-7250

Attn: Steven V. King

Acting Executive Director and Secretary

RE: Advice No. 13-04—Schedule 191—System Benefits Charge Adjustment

Dear Mr. King:

In accordance with RCW 80.28.050 and WAC 480-80-121, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) submits for filing in electronic format a proposed tariff sheet revision to Schedule 191, System Benefits Charge Adjustment.

Second Revision of Sheet No. 191.1 Schedule 191 System Benefits Charge Adjustment

The Company is proposing to modify Schedule 191, the System Benefits Charge (SBC), to align the Company's recovery of its costs associated with acquiring and administering cost-effective conservation, in accordance with Order 01 in Docket UE-111880. The Company respectfully requests an effective date of July 1, 2013, consistent with Order 01.

The current SBC was approved in Docket UE-120700, effective July 1, 2012, and was designed to collect approximately \$11.4 million annually. Based on current cost and Schedule 191 revenue projections, the Company expects the SBC deferred account to be in an over-collected position of approximately \$0.6 million by January 2014. As shown in Attachment C if the Company takes no action, the balance in the SBC deferred account will be approximately \$1.0 million over-collected by July 1, 2014, when the Company's next SBC adjustment filing is targeted to become effective.

Therefore, the Company requests approval to decrease the SBC rates to collect approximately \$10 million annually, or 3.3 percent of total retail revenues. As demonstrated in Attachment C the Company anticipates that based on the current cost projections and the proposed collection rates, balance in the SBC deferred account will approach zero by June 2014.

The Company acknowledges there are uncertainties in projecting 2014 expenses before the Company finalizes its 2014-2023 conservation forecast and 2014-2015 biennial targets. However, this adjustment addresses those uncertainties by making a small adjustment now and revisiting funding requirements again in May 2014, after filing and regulatory action on the Company's 2014-2023 conservation forecast and 2014-2015 biennial target.

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This price change will result in an overall average decrease to Washington customers of approximately 0.4 percent effective July 1, 2013. Attachment D displays the effects of the proposed Schedule 191 rate change by rate schedule. For the average residential customer using 1,300 kWh per month, the reduction to Schedule 191 will result in a monthly bill decrease of approximately \$0.44 or 0.4 percent.

On April 18, 2013, the Company reviewed the status of the SBC deferred account balance with the DSM Advisory Group and discussed the need for an adjustment. A copy of this filing is being provided to the DSM Advisory Group. These efforts were made in accordance with Condition 3a(iv) and Condition 8d in Docket UE-111880, Order 01.

It is respectfully requested that all formal correspondence and Staff 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, Suite 2000

Portland, Oregon, 97232

Informal questions regarding this filing should be directed to Bryce Dalley, Director, Regulatory Affairs & Revenue Requirement, at (503) 813-6389.

Sincerely,

William R. Griffith

Vice President, Regulation

William R. May A

Enclosures

cc: DSM Advisory Group