

825 NE Multnomah, Suite 2000 Portland, Oregon 97232

June 1, 2022

VIA ELECTRONIC FILING

Amanda Maxwell Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

RE: Advice 22-02—Schedule 191—System Benefits Charge

In accordance with RCW 80.28.060, WAC 480-07-880, and WAC Chapter 480-80, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp) submits the following revised tariff sheet applicable to PacifiCorp's electric service in the state of Washington. PacifiCorp respectfully requests an effective date of August 1, 2022.

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

The company proposes to increase the System Benefits Charge (SBC) collection rate, which is administered through Schedule 191 to better align the company's recovery of costs associated with acquiring and administering cost-effective conservation in its Washington service territory.

In February 2019, the company implemented an annual collection rate decrease of approximately \$1.5 million to account for uncertainty in costs and savings at the time of the annual rate update. As part of that rate change, the company also committed to review the collection rate after six months and provide that information to Commission staff. The company shared that review with the Demand Side Management (DSM) Advisory Group on December 18, 2019, and recommended no change to the collection rate.

After reviewing the account, the company proposed to leave the rate unchanged and filed an exemption letter May 1, 2020.¹

A System Benefits Charge account review was shared with the DSM Advisory Group on April 28, 2021. Another downward adjustment in 2021 would likely lead to an upward adjustment fairly soon after, so the company proposed to leave the rate unchanged and filed an exemption letter May 20, 2021.²

The Company reviewed the account and shared results and options with the DSM Advisory Group on April 28, 2022. After reviewing the company's projected costs, the balance in the

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¹ PacifiCorp's Request for an Exemption of WAC 480-109-130 and Condition 11(d) in Order 01 in Docket UE-190908 and One-Week Extension for Supporting Documentation.

² PacifiCorp's Request for an Exemption of WAC 480-109-130 and Condition 11(d) in Order 01 in Docket UE-190908 and Supporting Documentation.

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balancing account, and the collection rate needed for the 12 months following the rate change, the company believes a rate increase of \$8.1 million is appropriate. This is based on the best available forecast of 2022 expenditures and assumes this level of expenditures will continue into 2023. The current 2022 expenditure forecast is lower than 2022 expenditures filed in the company's DSM Business Plan in November 2021 and corelates to a shortfall of energy savings relative to the Energy Information Administration target subject to penalty. Should program participation improve and expenditures and savings increase, a further increase to the SBC may be warranted in the future.

Attachment B provides an overview of the balance in the SBC deferred account based on current costs and Schedule 191 revenue projections.³ Attachment C provides the company's estimated effect of the proposed Schedule 191 prices on revenue. Attachment D provides the company's estimated effect of the proposed Schedule 191 prices on monthly residential bills. The company estimates the average residential customer using 1,200 kilowatt-hours per month will see a \$2.65 monthly bill increase, or 2.1 percent.

This tariff change, if approved, will result in a bill increase to customers. PacifiCorp is planning to provide notice of the proposed tariff change to customers in accordance with WAC 480-100-194. A copy of the customer notice will be submitted once it is available.

It is respectfully requested that all formal correspondence and data 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 Street, Suite 2000 Portland, Oregon, 97232 |

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

Sincerely,

/s/ Shelley McCoy Director, Regulation PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 (503) 813-5292 shelley.mccoy@pacificorp.com

³ The 2020-2021 biennial conservation target and business plan have not yet been established. The company's current analysis reflects 2019 forecast costs and assumes similar expenditures for 2020.

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Enclosures

22-02-PAC-Attachment-A-List of Tariff Sheets-06-01-2022.pdf

22-02-PAC-Attachment-B-System-Benefits-Charge-Deferred-Accounting-Balance-6-1-22.pdf

22-02-PAC-Attachment-C-Estimated-Effect-of-Proposed-Schedule-191-Prices-on-Revenue-6-1-22.pdf

22-02-PAC-Attachment D-Estimated-Effect-of-Proposed-Schedule-191-Prices-on-Monthly-Residential-(Schedule 16)-Bills-6-1-22.pdf

22-02-PAC-Attachment E-Schedule-191-6-1-22.pdf