



December 21, 2023

VIA ELECTRONIC FILING

Kathy Hunter
Acting Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Received
Records Management
Dec 21, 2023

RE: Advice 23-06—Rule 14—General Rules and Regulations—Line Extensions

In accordance with RCW 80.28.050 and WAC 480-80-121, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) submits the following revised tariff sheet applicable to PacifiCorp's electric service in the state of Washington. The Company respectfully requests an effective date of February 23, 2024.

The changes requested in this filing are to limit the Line Extension Allowance for customers requesting service at or above 46,000 volts or with loads greater than or equal to 25,000 kilowatts (kW). Revisions to the affected tariff sheets are enclosed for filing as Attachment B, and include:

First Revision of Sheet No. R14.1	Rule No. 14	Line Extensions
First Revision of Sheet No. R14.5	Rule No. 14	Line Extensions
First Revision of Sheet No. R14.6	Rule No. 14	Line Extensions
First Revision of Sheet No. R14.7	Rule No. 14	Line Extensions
First Revision of Sheet No. R14.8	Rule No. 14	Line Extensions
Second Revision of Schedule 300	Schedule 300	Charges as Defined by the Rules and Regulations

PacifiCorp is increasingly receiving service requests from large customers, such as data center owners and developers, for tens to hundreds of megawatts of load. The load size of these customers makes them uniquely difficult to plan for, and singularly risky to serve. If a customer's load never fully ramps to their anticipated total capacity or if they only receive service for a short period of time, there is no reasonable assurance that a new customer will assume the significant unused capacity left behind by these very large customers. Under these circumstances, the current tariff structure leaves a risk for other customers to bear the cost burden of expensive infrastructure improvements in rates without any offsetting revenue from

the very large customers the infrastructure improvements were constructed to serve. Large customers and customers taking service at high voltages require very large Line Extension investments to connect to PacifiCorp's system, including substation upgrades and radial transmission facilities. If a customer's anticipated load does not materialize, the current tariff structure presents a risk that the Company's other customers will be left to bear the costs of expensive infrastructure without offsetting revenue from the customer for whom the infrastructure was constructed. To mitigate this risk, the Company proposes tariff changes to limit the Extension Allowance to nonresidential customers requiring more than 25,000 kW or taking service at or above 46,000 volts to the cost of metering equipment necessary to measure the Customer's usage.

If the Company's proposed changes to Rule 14 are approved by the Commission, each Customer with an executed master electric service agreement ("MESA") with the Company prior to the effective date of the tariff changes would receive an Extension Allowance in accordance with the terms of the executed MESA. For Customers that have previously received a written Extension Allowance estimate under the current provisions of Rule 14, the Company proposes to allow these Customers six months from the effective date of the Company's revised tariff to execute a MESA with the Company using the Allowance included in the written estimate. Subsequent load requests would be subject to the provisions of the revised tariff once approved by the Commission.

These changes, if approved by the Commission, would create greater uniformity between the Company's tariff policies in Washington and the other five states that it serves. PacifiCorp currently limits the Extension Allowance to the cost of metering for transmission-voltage customers in all other states within its service territory. The Company has recently obtained approval for similar provisions to its tariffs in Utah, Wyoming, and Oregon to limit allowances to customers with large loads. The Company has submitted applications to make this change to limit allowances for customers with large loads in its California and Idaho service territories as well, and these applications are currently under consideration by the respective state commissions.

An explanation of each proposed modification to the tariff language to effectuate the reduction to customer allowances proposed in this filing is provided as follows.

Rule 14, Line Extensions

I(D). CONDITIONS AND DEFINITIONS, Extension Allowance

The Company is recommending a change to this subsection to clarify that Allowances for customers will depend on total load size and service voltage, in addition to customer service classification. To this end, the italicized language below was added to amend the second sentence of this subsection as follows:

The portion will vary with the class of service that the Applicant requests, *the Applicant's service voltage, and the Applicant's total load request*, and shall not exceed the Extension Costs.

Unifying all sections of the Line Extension Regulation pertaining to customer Allowances removes ambiguity from the regulation.

III.A. NONRESIDENTIAL EXTENSIONS, Extension Allowances – Delivery at Transmission Voltage

The Company is recommending the addition of this subsection to limit the Line Extension allowance granted to customers requesting service at 46,000 volts or above.

(A) EXTENSION ALLOWANCES – DELIVERY AT TRANSMISSION VOLTAGE:

The Company will grant Consumers taking service at 46,000 volts or above an Extension Allowance of the metering necessary to measure the Consumer’s usage. Applicants who have been provided a written Line Extension Allowance estimate dated prior to December 21, 2023, shall be granted an Extension Allowance equal to two times the estimated annual revenue which the Applicant is expected to pay the Company in a year of normal operations under cost-based service, provided there are no material changes or updates to the Applicant’s service request, and the Applicant enters into a written Line Extension agreement with the Company no later than August 23, 2024.

Other than the Allowance, Consumers taking delivery at transmission voltage are subject to the same line Extension provisions as a Consumer requiring more than 1,000 kW who takes service at less than 46,000 volts.

III.B. NONRESIDENTIAL EXTENSIONS, Extension Allowances – Delivery at Secondary or Primary Voltage

The Company is recommending several modifications to this subsection to limit the Line Extension allowance granted to customers requiring 25,000 kW or more. The first recommended modification is to III.B.2., formerly III.A.2., to limit customer provisions that were previously applicable to all customers requiring more than 1,000 kW to only apply to customers requiring over 1,000 kW but less than 25,000 kW. The following language was added to the beginning of this subsection, italicized below:

2. *OVER 1,000 KW AND LESS THAN 25,000 KW*

The Company will grant Nonresidential Applicants requiring more than 1,000 kW or greater, but less than 25,000 kW, an Extension Allowance equal to two times the estimated annual revenue the Applicant will pay the Company.

Following this change to the language of III.B.2., the Company recommends adding a new subsection III.B.3. to address provisions specific to customers requiring over 25,000 kW. The proposed new section would read as follows:

3. *25,000 KW OR GREATER:*

The Company will grant Nonresidential Applicants requiring 25,000 kW or more an Extension Allowance of the metering necessary to measure the

Customer's usage. Applicants who have been provided a written Line Extension Allowance estimate dated prior to December 21, 2023, shall be granted an Extension Allowance equal to two times the estimated annual revenue which the Applicant is expected to pay the Company in a year of normal operations under cost-based service, provided there are no material changes or updates to the Applicant's service request, and the Applicant enters into a written Line Extension agreement with the Company no later than August 23, 2024.

Apart from the Extension Allowance, the Customer is subject to the same Extension provisions as a customer requiring more than 1,000 kW.

If this change is approved by the Commission, the subsection previously titled III.A.3. addressing Remote Service would become subsection III.B.4., the subsection addressing Seasonal Service would become III.B.5., and the subsection addressing Street Lighting would become III.B.6. The Company recommends adding an additional section, III.B.7., to clarify the Allowance provided to existing customers requesting additional capacity.

7. *ADDITIONAL CAPACITY:*

The Extension Allowance for Customers where it is necessary for the Company to increase the capacity of their facilities to serve the Customer's additional load is calculated on the increase in revenue estimated to occur as a result of the additional load. The Extension Allowance for Additional Capacity is subject to the same provisions of new line extensions, according to Customer service voltage, total load size, and permanency.

Schedule 300, Charges as Defined by the Rules and Regulations

To create consistency in the tariff, the Company also proposes to update the voltage threshold used to differentiate between transmission- and distribution-voltage facilities from 69,000 volts to 46,000 volts for the purpose of calculating facilities charges in Schedule 300. 46,000 volts was used by the Company in its proposed tariff in the most recent general rate case for transmission-voltage pricing. The proposed change to Schedule 300 is as follows:

<u>Rule No.</u>	<u>Sheet No.</u>	<u>Description</u>	<u>Charge</u>
14	R14-2	<u>Facilities Charges:</u>	
		On Facilities at Less than 46,000 Volts	
		Installed at Customer's expense	0.5% per month
		Installed at Company's expense	1.2% per month
		For Facilities at and above 46,000 Volts	
		Installed at Customer's expense	0.2% per month
		Installed at Company's expense	0.9% per month

Washington Utilities and Transportation Commission

December 21, 2023

Page 5

This is the final material change recommended by the Company to effectuate the change to limit the Line Extension allowance provided to customers requiring more than 25,000 kW or service at or above 46,000 volts to the cost of metering equipment necessary to measure the Customer's usage.

PacifiCorp respectfully requests that all data requests regarding this matter be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

Please direct informal questions to Ariel Son, Regulatory Affairs Manager, at (503) 813-5410.

Sincerely,

 /s/

Matthew McVee

Vice President, Regulation Policy and Operation

PacifiCorp

825 NE Multnomah Street, Suite 2000

Portland, OR 97232

(503) 813-5585

Matthew.Mcvee@PacifiCorp.com

Enclosure

Attachment A: List of Proposed Tariff Sheets

Attachment B: Proposed Tariff Sheets

23-06-PAC-Attach-A-12-21-23.pdf

23-06-PAC-Attach-B-12-21-23.pdf