U-210590

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah Street, Suite 2000
Portland, Oregon 97232

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Jeff Killip
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E.
Lacey, Washington 98503

RE: Docket U-210590—PacifiCorp's Comments and Proposed Metrics

In response to the Washington Utilities and Transportation Commission (Commission) July 3, 2025 Notice of Technical Workshop and Opportunity to File Written Comments issued in Docket U-210590, regarding the development of a "policy statement addressing alternatives to traditional cost of service ratemaking," PacifiCorp d/b/a Pacific Power & Light Company provides these comments.

For questions 4 through 18, PacifiCorp is submitting comments jointly with Avista Corporation, dba Avista Utilities, Puget Sound Energy, Inc., Cascade Natural Gas Corporation, and Northwest Natural Gas Company.

ESTABLISHED METRIC CLARIFICATION

1. ***Please provide detailed information about any established metric, definition, or calculation you believe requires clarification. The established metrics are attached as Appendix A. Additionally, please provide detailed feedback for specific metrics based on the following questions:***
    a. ***What challenges have you encountered in interpreting or implementing the established metrics? (e.g., clarity of definitions, internal capacity, or technical barriers)***

- **Equity in Reliability: Length of Power Outages**

  Average and median length (in minutes) of power outages per year, separately calculating Named and Non-named Communities reporting with and without major event days (MEDs).

  PacifiCorp does not currently calculate average and median length of power outages per year for named and non-named communities for with and without major event days. PacifiCorp anticipates that it would be able to produce this metric for named communities and non-named communities with existing outage information in its possession.

  Of note, as required in docket UE-210829, PacifiCorp's Clean Energy Implementation Plan (CEIP), PacifiCorp currently reports the seven-year rolling average System Average Interruption Duration Index (SAIDI), System Average Interruption Frequency Index (SAIFI), Customer Average Interruption Duration Index (CAIDI), and Customers Experiencing Multiple Interruptions (CEMI) for named communities and non-named communities. A seven-year rolling average is used to normalize the data given year-to-year variability in the annual scores.

- **Historically Worst Performing Circuits**

  The 10 worst performing circuits in any given year separately by both frequency and duration, reported both with and without MEDs and identifying circuits that serve Named Communities. In addition, of the 10 worst performing circuits (separately by frequency and duration), the number of years over the past five years that a circuit has appeared on the list.

  PacifiCorp's current methodology uses a calculated Circuit Performance Index (CPI) described in its Annual Service Quality Report (SQR) on system performance and reliability. PacifiCorp does not currently review the worst performing circuits based only on frequency and duration since the total customer impact of outages is a core component of system performance the Company seeks to mitigate.

- **Customers Experiencing Multiple Interruptions (CEMI) for Named and Non-Named Communities**

  Average number of outages for customers experiencing multiple interruptions (grouped by those experiencing 1-4 interruptions, 5-8 interruptions, and more than nine interruptions) calculated as the total number of customers with sustained interruptions of greater than five minutes divided by the total number of customers served. Provide this calculation without MEDs for the service territory as a whole and separately for Named Communities.

  As required in docket UE-210829, PacifiCorp's CEIP, PacifiCorp currently reports the seven-year rolling average CEMI for named communities as a whole, non-named communities as a whole, and for service area as a whole including and excluding major events. PacifiCorp expects it would be able to produce this metric for *those experiencing 1-4 interruptions, 5-8 interruptions, and more than nine interruptions* in named communities and for the service territory as a whole, with existing outage information in its possession.

- **Customers Experiencing Long Duration Outages (CELID) for Named and Non-named Communities**

  Number of customers experiencing more than eight hours of consecutive interruption per year, providing separate calculations without MEDs for the service territory as a whole and separately for Named Communities.

PacifiCorp does not currently calculate CELID for named and non-named communities. PacifiCorp does not expect it would have an issue producing this metric for its service area as a whole and separately for named communities with the existing outage information in its possession.

- **Arrearages per Month**

  Number of customers in arrears by period and total amount of arrearages by month, by class, measured by census tract to include 30+, 60+, and 90+ days in arrears for total company, and electric and natural gas separately for dual fuel utilities.

  As required in the COVID arrearage reports in docket U-200281, PacifiCorp currently reports arrearages by the requested periods (30+, 60+ and 90+ days) in arrears for Washington. With regard to the metric's reference to "total company", PacifiCorp requests clarification if this metric is seeking total arrears for Washington rather than seeking arrears for "total company" which could be interpreted as all states served by PacifiCorp.

  As required in docket UE-230172, PacifiCorp's 2023 multi-year rate plan, PacifiCorp currently reports arrearages by month for Washington customers by zip code and for named communities. The Company expects it could produce this information for the requested period.

- **Percentage of Customers in Arrears with Arrearage Management Plans**

  By census tract and quarterly, the number of residential customers in arrears with arrearage management plans divided by total customers in arrears.

  PacifiCorp does not currently have an arrearage management plan. PacifiCorp has been working closely with its Low-Income Advisory Group (LIAG) and Equity Advisory Group (EAG) to make recommended changes to the Company's Low-Income Bill Assistance (LIBA) program. PacifiCorp filed to add a hardship grant component to the Company's LIBA program to help assist customers with arrearage management on April 30, 2025, with a requested effective date of October 1, 2025.

- **Average Energy Burden**

  Annual residential bill divided by area median income by census tract for all customers, comparing outcomes in Named and Non-named Communities. For dual fuel utilities, electric and natural gas service should be stated separately calculated both before and after energy assistance. Also provide the number and percentage of customers experiencing high energy burden by census tract.

As required in docket UE-230172, PacifiCorp's 2023 multi-year rate plan, and UE-210829, PacifiCorp's CEIP, PacifiCorp currently reports energy burden by census tract for HICs and for Vulnerable Populations, HICs and all customers as a whole. PacifiCorp would be able to produce energy burden estimates for each census tract and for non-named communities separately.

PacifiCorp does not document customer income for each of its customers and in the event that it did, customer income information would quickly become outdated. Additionally, reporting energy burden by census tracts is sensitive to survey sampling. Mean energy burden estimates for vulnerable populations and HICs are based on sampling customer incomes as part of PacifiCorp's biennial residential survey efforts. In some instances, survey responses for a few census tracts are insufficient or too limited to provide meaningful results and the Company must exclude these results.

PacifiCorp requests that if the energy burden was to be used as a metric in this proceeding, that energy burden for vulnerable populations, HICs and non-named communities, as a whole, be considered as a reasonable granularity for analysis, rather than relying on energy burden for separate census tracts for the reasons outlined above.

- **Net Benefits of Distributed Energy Resources**

  Net present value of benefits and cost-effectiveness ratio of DERs as measured through a Commission approved cost-benefit analysis.

  Until there is a Commission-approved cost-benefit analysis, it is unclear how utilities are to report on this measure.

- **Distributed Energy Resource Availability and Utilization**

  Annual energy (MWh) produced, consumed, or discharged from dispatchable distributed energy resources (DERs) by program; Annual capacity (MW) from DERs by program; and aggregated annual capacity of DERs providing additional grid services through utility programs.

  PacifiCorp requests that the DER resources referenced in this metric be explicitly identified in the metric's definition.

- **Utility Assistance Program Effectiveness**

  On an annual basis, utility customer-funded assistance funds dispersed divided by total available customer-funded assistance received, as well as the percentage of estimated low-income needs met with dispersed funds.

As required in PacifiCorp's 2023 MYRP, PacifiCorp currently reports Schedule 91 funds received (Surcharge to Fund LIBA). PacifiCorp also reports LIBA funds dispersed as well as the percentage of the estimated eligible population that receive these funds.

- **Customers who Participate in One or More Bill Assistance Programs**

  The number and percentage of estimated low-income customers who participate in one or more customer-funded energy assistance programs that actively lowers energy burden, both aggregated and by census tract; and separately the number and percentage of estimated low-income population enrolled in a utility bill discount program and total amount of discount applied annually.

  As required in PacifiCorp's 2023 MYRP, PacifiCorp currently reports the number of customers that participate in Low-income Bill Assistance programs.

- **Annual Utility Revenues and Rate Impacts**

  Annual revenue from base rates approved in most recent MYRP by customer class; total incremental or decremental revenue from all approved rate adjustments, excluding those authorized by the MYRP, occurring during the reporting year separated by schedule and customer class providing the calendar month and percentage of the change for each schedule; and annual net billed revenue by schedule.

  PacifiCorp files annual Results of Operations that include base revenue by class and schedule.

  As required in PacifiCorp's 2023 MYRP, PacifiCorp currently reports annual revenue from rate adjustments. PacifiCorp expects to be able to report this revenue by class, schedule and month, if necessary.

- **Workforce Diversity**

  Percentage of employees and senior management (separately identifying: (a) C-suite employees, (b) directors and employees more senior than directors, and (c) the remaining workforce) who identify as: (i) a person of color; and/or (ii) a woman or non-binary; Percentage of total employees that opt out from providing information either through HR data or surveys.

  PacifiCorp's workforce data is collected through voluntary employee reporting, and as a result, is inherently incomplete.

- **Supplier Diversity**

  Percentage of suppliers that self-identify as owned by people of color, women, veteran, and other marginalized groups, and total dollar amount and percentage of total company spend to those suppliers.

  As part of reporting requirements stemming from docket UE-230172, PacifiCorp currently reports the total dollars awarded to suppliers and also total dollars awarded to suppliers that self-identify their business as owned by people of color, women, and other marginalized groups.

- **Equity in Distributed Energy Resource Programs**

  Number of customers in Named Communities or low-income customers enrolled in each utility DER program (providing a separate calculation for energy efficiency, electric transportation, net metering, and demand response) divided by total customers enrolled in each program.

  As required in PacifiCorp's CEIP, PacifiCorp currently reports the number of customers in named communities that are enrolled in energy efficiency and demand response programs.

  PacifiCorp does not offer any incentive programs for net metering and is therefore unable to take actions to influence its acquisition. PacifiCorp does not have a program in place that actively manages transportation electrification as a resource (bidirectional charging). However, PacifiCorp is in the process of developing an electric vehicle demand response program in Washington for which energy and capacity impacts may be included as a component of reporting.

  As required in PacifiCorp's CEIP, the Company reports the number and percentage of households/businesses within named communities, who participate in energy efficiency and demand response programs.

- **Equity in Distributed Energy Resource Program Spending**

  Separately calculated percentage of utility spending on demand response and distributed energy resources (energy efficiency, electric transportation, and renewables) that benefit Named Communities as compared to Non-named Communities.

  As required in PacifiCorp's CEIP, PacifiCorp currently reports the spending associated with energy efficiency and demand response programs in named communities.

PacifiCorp does not offer any incentive programs for net metering and is therefore unable to take actions to influence its acquisition. As required in PacifiCorp's 2023 MYRP, the Company does report the percentage of utility electric vehicle program spending that benefits named communities.

- **Operations & Maintenance (O&M) total expenses divided by operating revenue**

  As required in PacifiCorp's 2023 MYRP, the Company reports Washington-allocated O&M total expenses divided by operating revenue.

- **Operating revenue divided by Average of Monthly Averages (AMA) total rate bases and by End of Period (EOP) total rate base**

  As required in PacifiCorp's 2023 MYRP, the Company reports Washington-allocated Operating revenue divided by Average of Monthly Averages (AMA) total rate bases and by End of Period (EOP) total rate base.

- **Current Assets divided by Current Liabilities**

  As required in PacifiCorp's 2023 MYRP, the Company reports Current Assets divided by Current Liabilities.

- **Net Income divided by Operating Revenue**

  PacifiCorp does not have a way to calculate Net Income divided by Operating Revenue for Washington. The Washington jurisdiction is not a separate legal entity, but rather part of total PacifiCorp and therefore there are no standalone financial statements for the jurisdiction.

  For the MYRP reporting, PacifiCorp reports Washington-allocated Operating Revenue for Return divided by Washington Total Rate Base rather than Net Income divided by Operating Revenue.

- **Retained Earnings divided by Total Equity**

  As required in PacifiCorp's 2023 MYRP, the Company reports Retained Earnings divided by Total Equity.

- **Average Annual Bill Impacts**

  As required in PacifiCorp's 2023 MYRP, the Company reports Average Annual Bill Impacts by zip code. This calculation is based on total annual bills by zip code divided by average median income by zip code. This information is not available by named community, as named community designation is based on census tract and not zip code.

- **Average Annual Bill divided by Median Income by Census Tract**

  As required in PacifiCorp's 2023 MYRP, the Company reports Average Annual Bill Impacts by zip code, while median income by census tract can be obtained from the U.S. Census Bureau.

  PacifiCorp's billing system documents customer agreement by zip code and not by census tract. Therefore, the numerator in the calculation necessary to derive Average Annual Bill divided by Median Income by Census Tract would be based on a different geographic area (zip code) than used in the denominator and would result in an inappropriate result.

  While not impossible to report average annual bills by census tract, it would require substantial effort, including GIS analysis, spreadsheet merging and post-analysis validation.

b. Which types of data required under the established metrics are most difficult to obtain, process, or report accurately? Please consider factors including, but not limited to, data availability, security, standardization, reliability, and timeliness, and explain your response. Feel free to include other relevant considerations.

The creation of each of the established metrics presents their own unique challenges. However, three metrics stand out as being the most difficult to obtain, process and/or report.

Average Energy Burden

The process to create average energy burden by census tract is perhaps the most difficult metric for PacifiCorp to create as it requires the collection of customer income data, which involves a significant survey effort. Further, surveys can suffer from low response rates, which adversely impact the margin of error for small geographic areas (census tracts) that experience low response rates. Surveys also require a large investment of time to develop, implement and analyze. Additionally, this survey effort is not a single event and requires regular updating to produce new results. Frequent survey efforts can introduce survey fatigue that could have adverse impacts on subsequent survey response rates.

In addition to obtaining income data, a complete energy burden calculation requires customer expenditures for not only electricity, but also expenditures for other forms of energy such as natural gas or propane. Being an electric only utility, PacifiCorp currently must rely on customer energy expenditures for electricity in its energy burden calculation.

Equity in Distributed Energy Resource Programs

PacifiCorp does not offer any incentive programs for net metering and is therefore unable to take actions to influence its acquisition. Therefore, this metric is not applicable to PacifiCorp as currently defined.

Distributed Energy Resource Availability and Utilization

Reporting the number and total generation for distributed energy resources and the number and total capacity of batteries are based on applications PacifiCorp receives from customers. This information requires a substantial amount of clean-up, which takes significant effort for PacifiCorp staff.

c. ***What formats or tools for submitting compliance data have proven effective or challenging in practice?***

PacifiCorp finds that providing the metrics with an Excel spreadsheet has been an effective means of submitting metric data.

d. ***While the Commission is not committing to developing standardized templates, would format guidance or templates be helpful for reporting on the established metrics? If so, please specify which metrics would benefit from such resources and explain your response.***

It may be helpful for the Commission to provide a simple template, but PacifiCorp does not propose that it be too prescriptive at this stage as there may be enough nuance between the utilities to warrant flexibility in how metrics are reported.

An excel spreadsheet that has an information tab that clearly defines the metrics and has separate tabs specifically for each metric may prove helpful.

GOAL 4 AND GETs METRIC PROPOSALS

2. ***Interested parties proposed metrics for Goal 4 – Environmental Improvements during the policy-making process that led to the Interim Policy Statement. While the Commission did not reject the proposed metrics, it determined that further discussion was needed to evaluate utility performance in a meaningful way. The proposed Goal 4 metrics are attached as Appendix B.***
   a. ***Do any parties currently propose adopting any of the proposed Goal 4 metrics? Please explain your response.***

   No. PacifiCorp does not recommend adopting the proposed Goal 4 metrics at this time. Please see the Company’s responses regarding each proposed Goal 4 metrics below.

- **Energy-related Air Quality Emissions**

  At this time PacifiCorp does not recommend adopting energy-related Air Quality Emission metrics as currently defined. There are a number of issues with using this metric that needs broader consideration. Specifically, PacifiCorp is unsure why this metric should be developed for its Washington service area given the Company's generation resources are not located within its Washington service area. PacifiCorp does not have any meaningful control over air quality emissions in its service area.

  Furthermore, even if generation resources were located in its Washington service territory, which as stated above – they are not, the process for determining how air quality emissions would be calculated for specific census tracts is not a process PacifiCorp is familiar on how to accomplish. The process of determining air quality emissions for census tracts is not a capability currently possessed by PacifiCorp staff and would require the hiring of an expert in this field.

  Ultimately, it is envisioned that a clearly defined methodology for determining air quality impacts for census tracts would need to be vetted with all Washington utilities and approved by the Commission before this metric could be adopted.

- **Utility Fleet Tailpipe Emissions Reductions**

  Utility vehicle fleet tailpipe emissions and other impact (e.g., noise) reductions by vehicle type (light-, medium-, and heavy duty) that may/regularly (need definition; could include whole fleet) operate in Named Communities, according to the utility's adoption of low- and zero-emissions vehicles, using the utility's 2022 (suggest different year due to COVID impacts; could use "previous year") fleet composition as baseline. Report total and reduction compared to baseline?

  Similar to the issues pointed out for air quality impacts, the process for determining emissions and noise reductions due to the adoption of low and zero emission vehicles is not a process PacifiCorp is familiar on how to accomplish and would require acquisition of expertise in this field.

- **Utility Electric Load Management Success**

  Energy and capacity of load reduced or shifted, and percent of load reduced or shifted, through load management, storage, energy efficiency, and demand response activities conducted by the utility, by activity (e.g., demand response versus energy efficiency). May need separate definitions for electric and gas. Should include management of transportation electrification loads, including bidirectional charging capabilities.

PacifiCorp publishes estimates of energy and capacity of load impacts for its energy efficiency programs for Washington in its annual conservation acquisition report. With regard to demand response, PacifiCorp publishes its estimates of capacity of load impacts in its annual demand response portfolio report.

PacifiCorp does not have a program in place that actively manages transportation electrification loads in terms of bidirectional charging. However, PacifiCorp is in the process of developing an electric vehicle demand response program in Washington for which energy and capacity impacts may be included as a component of reporting. The electric vehicle-based program is designed to be used for frequency demand response.

- **DER GHG Reductions**

  Greenhouse gas reductions from DER programs (energy efficiency, electric vehicle, net metering, and demand response). Reporting all programs in aggregate, or split out by program type? Method for measuring this could be difficult. Consider cumulative versus incrementally.

  PacifiCorp requests a definition of "Greenhouse gas" and "Greenhouse gas reductions" to be explicitly included within the metric.

  Currently, PacifiCorp does not calculate or report greenhouse gas (GHG) emission reductions associated with energy efficiency, electric vehicles, net metering, or demand response programs. It is unclear what specific data would be required to calculate emissions reductions for these programs and whether that data is currently being collected.

  In addition, assuming an emission factor would be needed for this calculation, determining the appropriate emission factors for each resource and/or program would require clear guidance from Washington Utility and Transportation Commission, Washington Department of Ecology, or another regulatory authority, along with a consistent and standardized methodology.

  Given these uncertainties, reporting GHG emissions reductions for energy efficiency, electric vehicle, net metering, and demand response would be overly burdensome and likely infeasible under current conditions.

b. Please provide any recommended modifications to the proposed Goal 4 metrics or submit proposals for other metric language, including calculation methodology and any necessary definitions.

Please refer to the Company's responses in 2.a.

3. ***Interested parties proposed metrics regarding GETs during the policy-making process that led to the Policy Statement Addressing Initial Reported Performance Metrics. The Commission declined to include these metrics in the policy statement, in favor of fully developing GETs metrics through a collaborative process. The proposed GETs metrics are attached as Appendix C.***
    a. ***Which Goal would be best suited to incorporate GETs metrics? Current Goals are: (1) Resilient, reliable, and customer-focused distribution system, (2) Customer affordability, (3) Advancing equity in utility operations, and (4) Environmental improvements.***

       The proposed GETs metrics appear to be best suited under Goal 2, Customer Affordability.

    b. ***Do any parties currently propose adopting any of the proposed GETs metrics as provided in Appendix C? Please explain your response.***

       Proposed Metric - MW capacity of renewable and non-emitting generation enabled by GETs; or amount of deferred investments ($) in new transmission and distribution infrastructure enabled by GETs.

       At this time, PacifiCorp does not propose adopting the proposed GETs metrics as additional clarity and modifications to the metrics definition is needed.

       PacifiCorp requests a clear definition of technologies that would qualify as Grid-enhancing Technologies (GETs). PacifiCorp currently considers use of advanced transmission technologies such as static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous condensers, voltage source converters, advanced conductors, and tower lifting when evaluating transmission projects developed through local and regional transmission planning efforts, as well as generation interconnection requests.

       In this consideration PacifiCorp identifies any advanced transmission technologies that are able to fully mitigate the identified constraints and weighs the cost effectiveness of any such viable advanced transmission technologies alongside any viable "traditional" infrastructure solutions to determine the most effective long-term solution.

       Therefore, PacifiCorp could potentially track the MW of renewable/non-emitting generation interconnections that include GETs as part of their required upgrades, as well as track the investment made for these GETs solutions.

       Within the metrics definition, PacifiCorp requests the replacement of the terminology of "deferred investment in new T&D infrastructure enabled by GETs" to rather be "investment in new T&D GETs infrastructure".

c. ***Please provide any recommended modifications to the proposed GETs or submit proposals for other metric language, including calculation methodology and any necessary definitions.***

Please refer to PacifiCorp's comments in 3.b.

PacifiCorp has continually supported the core principle of providing safe and reliable service with affordable rates. PacifiCorp supports the use of new regulatory mechanisms to the extent they help the Company meet these goals.

PacifiCorp remains committed to extensively participating in this proceeding and working with the Commission and stakeholders through this process. PacifiCorp further appreciates the continued opportunity to provide written comments as this proceeding continues.

PacifiCorp respectfully requests that all data requests regarding this matter be addressed to: datarequest@pacificorp.com. Please direct informal questions to Ariel Son, Regulatory Affairs Manager, at ariel.son@pacificorp.com, or (971) 242-6299.

Sincerely,

/s/ *Robert Meredith*

Robert Meredith
Director, Regulation
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
(503) 813-5017
Robert.Meredith@PacifiCorp.com