

July 7, 2021

VIA ELECTRONIC FILING

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**RE: Advice 21-05—PacifiCorp Decoupling Mechanism Evaluation
Schedule 93—Decoupling Revenue Adjustment**

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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

PacifiCorp dba Pacific Power & Light Company (PacifiCorp) submits this proposed tariff applicable to PacifiCorp's electric service in the state of Washington in compliance with RCW 80.28.050, WAC Chapter 480-80 et. seq., and the Washington Utilities and Transportation Commission's (Commission) Rules and Regulations. PacifiCorp respectfully requests an effective date of January 1, 2022.

Second Revision of Sheet No. 93.1	Schedule 93	Decoupling Revenue Adjustment
Second Revision of Sheet No. 93.2	Schedule 93	Decoupling Revenue Adjustment
First Revision of Sheet No. 93.3	Schedule 93	Decoupling Revenue Adjustment

In accordance with Order 12 in the Company's 2015 limited-issue rate case in docket UE-152253, the Company submits its evaluation of the effectiveness of the decoupling mechanism. This evaluation includes:

- An analysis of the mechanism's impact on conservation achievement,
- An analysis of the mechanism's impact on company revenues (*i.e.*, whether there has been a stabilizing effect),
- An analysis of the extent to which fixed costs are recovered in fixed charges for the customer classes excluded from the decoupling mechanisms, and
- An analysis of whether allowed revenues from the following rate classes are recovering their cost of service: residential class, non-residential class, and customers not subject to decoupling.

As discussed in the enclosed evaluation, PacifiCorp is requesting three changes to the decoupling mechanism:

1. Adjustment of the decoupling deferral period and timing of the annual decoupling filings. PacifiCorp proposes to change the decoupling period to a calendar year to avoid a winter-time rate adjustment and to ease the administrative burden of producing a mid-year commission basis report.
2. Tracking and true-up for all decoupled customers as one class. PacifiCorp proposes to combine the four decoupled classes to reduce rate volatility and further simplify the mechanism.

3. Adjustment of the earnings test.

PacifiCorp proposes to adjust the earnings test to the Company's authorized return on equity (ROE) plus 50 basis points to mitigate the impacts of inter-jurisdictional allocation issues that may not accurately reflect PacifiCorp's earnings in Washington.

PacifiCorp's proposed tariffs enclosed with this filing include changes to capture the Company's three recommendations.

Please direct all formal correspondence and data requests regarding this filing 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
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Enclosures

Attachments

Attachment A: Summary Page of Tariffs

Attachment B: Proposed Tariffs

Attachment C: PacifiCorp Decoupling Mechanism Evaluation