

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP dba
PACIFIC POWER & LIGHT COMPANY,

Respondent.

DOCKET UE-230172
(Consolidated)

In the Matter of

ALLIANCE OF WESTERN ENERGY
CONSUMERS'

Petition for Order Approving Deferral of
Increased Fly Ash Revenues

DOCKET UE-210852
(Consolidated)

CROSS-EXAMINATION EXHIBIT OF CHRIS R. MCGUIRE
ON BEHALF OF THE ENERGY PROJECT

EXHIBIT CRM-__X

Staff Response to The Energy Project Data Requests Nos. 1-2

December 4, 2023

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED: October 18, 2023
DOCKET: UE-230172
REQUESTER: The Energy Project

WITNESS: Staff
RESPONDER: Staff

DATA REQUESTS DIRECTED TO: Staff
REQUESTED BY: The Energy Project (TEP)

TEP DATA REQUEST NO. 1:
Re: Performance Measures

Reference: CRM-1T at 53:15-19; BTC-IT at 16, Table 2.

Please reference the staff testimony of Chris R. McGuire at page 53, lines 15-19. Staff witness McGuire states that “Staff is open to requiring the Company to report on additional performance-based metrics recommended by other parties to this case, particularly if those parties are able to clearly articulate how the proposed metric will be used to measure utility performance.” Now please refer to Response testimony of Bradley T. Cebulko at page 16, table 2.

1. Are there any affordability metrics proposed by witness Cebulko that Staff thinks would be useful in the evaluation of PacifiCorp’s performance during the multi-year rate plan?
2. Are there any affordability metrics proposed by witness Cebulko that Staff thinks would be useful in the evaluation of PacifiCorp’s performance during the multi-year rate plan if the metric was modified?

RESPONSE:

1. Yes. Staff is open to supporting proposed affordability metrics that follow the metric design criteria discussed in the Commission’s PBR proceeding, Docket U-210590, and where the proposed metric can be used to assess the utility’s performance with respect to a specific, measurable aspect of affordability. Staff is open to supporting the following affordability metrics from the testimony of Bradley Cebulko, where the measurable outcome (or performance criterion) is identified by witness Cebulko or otherwise readily evident:
 - (1) Average annual bill, by class, and by census tract and by zip code.
 - (2) Average annual bill divided by average median income by census tract and by zip code.
 - (3) Average bill as a percentage of low-income customers’ average income by census tract and by zip code.
 - (5) Number and percentage of households with a high-energy burden (>6%), separately identifying known low-income, vulnerable populations, and highly-impacted communities.
 - (6) Average excess burden per household.
 - (12) Number and percentage of residential electric disconnections for nonpayment by month, measured by location and demographic information (zip code/census tract, KLI customers, Vulnerable Populations, Highly Impacted Communities, and for all customers in total).
 - (13) Number and percentage of low-income customers who participate in bill assistance programs.

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RESPONDER: Staff

- (14) Share of bill assistance customers who are in Highly Impacted Communities or are members of vulnerable populations.
- (15) Percentage of customer-funded utility assistance dispersed.

2. Possibly. Staff would consider supporting the following affordability metrics from the testimony of Bradley Cebulko if more information is provided describing or identifying the relevant measurable outcomes and how the proposed metric would be used to assess the utility's performance with respect to that specific, measurable aspect of affordability:

- (4) Total revenue occurring through riders and associated mechanisms not captured in the MYRP.
- (9) Net-plant-in-service per customer.
- (10) O&M per customer.
- (11) Rate of annual revenue growth as compared to inflation.
- (16) CEIP incremental cost.
- (17) Ratemaking return on common equity.
- (18) Utility credit ratings.

Regarding metric (4) specifically, based on conversations with TEP, Staff understands that the outcome/performance element TEP was intending to measure was the portion of the utility's revenues collected outside of base rates and therefore not directly subject to the cost containment incentives or performance measures established through MYRPs. . With that understanding, Staff is open to supporting metric (4) if it were modified to measure revenues received outside of base rates (e.g., through trackers/riders/other cost recovery mechanisms) divided by total revenues, expressed in both dollar terms and as a percentage.

Staff might additionally consider supporting the following affordability metrics from the testimony of Bradley Cebulko after PacifiCorp has developed and implemented an arrearage management plan:

- (7) Residential arrearages by month, measured by location and demographic information (zip code/census tract, KLI customers, Vulnerable Populations, Highly Impacted Communities, and all customers in total).
- (8) Percentage of customers in arrears with arrearage management plan.

**TEP DATA REQUEST NO. 2:
Re: Performance Measures**

Reference: CRM-IT at 53:15-19. BTC-IT at 22, Table 3.

Please reference the staff testimony of Chris R. McGuire at page 53, lines 15-19. Staff witness McGuire states that "Staff is open to requiring the Company to report on additional performance-based metrics recommended by other parties to this case, particularly if those parties are able to clearly articulate how the proposed metric will be used to measure utility performance." Now please refer to Response testimony of Bradley T. Cebulko at page 22, table 3.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED: October 18, 2023
DOCKET: UE-230172
REQUESTER: The Energy Project

WITNESS: Staff
RESPONDER: Staff

1. Are there any equity metrics proposed by witness Cebulko that Staff thinks would be useful in the evaluation of PacifiCorp's performance during the multi-year rate plan?
2. Are there any equity metrics proposed by witness Cebulko that Staff thinks would be useful in the evaluation of PacifiCorp's performance during the multi-year rate plan if the metric was modified?

RESPONSE:

1. Yes. Staff is open to supporting all of the equity metrics from the testimony of Bradley Cebulko, with the minor modification of metric (1) shown in underline below. These metrics are:
 - (1) Percentage of low-income customers that participate in energy efficiency programs.
 - (2) Percentage of low-income customers that participate in demand response, distributed energy resources, or renewable energy utility programs.
 - (3) Percentage of utility energy efficiency program spending that benefits Highly Impacted Communities and vulnerable populations.
 - (4) Percentage of utility spending on demand response, distributed energy resources, and renewable that benefits Highly Impacted Communities and vulnerable populations.
 - (5) Percentage of low-income customers that participate in utility electric vehicle programs, by program.
 - (6) Percentage of utility electric vehicle program spending that benefits Highly Impacted Communities or vulnerable populations.
 - (7) Percentage of utility-owned and supported EVSE by use case located within and/or providing direct benefits and services to Highly Impacted Communities or vulnerable populations.
 - (8) Number and location of Public Charging Stations located in highly-impacted communities.
 - (9) Annual incremental investment spending each year, separately, for the following customer groups: low-income, vulnerable populations, and highly-impacted communities.
 - (10) Number of residential appliance and equipment rebates provided to customers residing in highly-impacted communities and the number of residential rebates provided to customers residing in rental units.
 - (11) Percentage of employees and senior management (separately identifying: (a) C-suite employees and (b) directors and employees more senior than directors) who identify as:
 - (i) a person of color; and/or
 - (ii) a woman or non-binary.
 - (12) Percentage of dollars awarded to suppliers self-identifying as owned by people of color, women, and other marginalized groups of total dollars awarded to suppliers.
 - (13) Percentage of total investment in non-wires alternative programs targeted in Highly Impacted Communities or Vulnerable Populations.
2. See response to data request 2.1, above.