

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of)	DOCKET UE-001457
)	
PACIFICORP d/b/a PACIFIC)	
POWER & LIGHT COMPANY)	
)	
)	
For Authorization to Defer Energy)	
Efficiency Expenditures for)	SECOND SUPPLEMENTAL ORDER
Collection Through a System Benefits)	GRANTING JOINT MOTION TO
Charge.)	AMEND ACCOUNTING ORDER
.....)	

BACKGROUND

1 On October 25, 2000, the Washington Utilities and Transportation Commission (Commission) issued an Accounting Order in this Docket that authorized PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp) to defer prospectively cost-effective energy efficiency expenditures under programs approved by this Commission. The Accounting Order authorized PacifiCorp to recover energy efficiency expenditures through a System Benefits Charge (SBC).

2 The Finding Paragraph 5 of the Accounting Order states:

Interest should accrue only on positive balances in the SBC balancing account, i.e., on excess of collections over expenditures. This treatment is consistent with our finding in Docket No. UE-001606 involving Avista Corporation.

3 Ordering Paragraph 3 of the Accounting Order states:

Interest should accrue only on positive balances in the SBC balancing account, i.e., on excess of collections over expenditures, at an annual rate of 8.8% compounded annually.

4 Further, Ordering Paragraph 1 of the Accounting Order states:

PacifiCorp d/b/a Pacific Power & Light Company is authorized to defer prospectively cost effective energy efficiency expenditures under programs approved by this Commission, effective after the date of this order. The energy efficiency expenditures shall be recovered through the System Benefits Charge commencing January 1, 2001. PacifiCorp d/b/a Pacific Power & Light Company shall report to the Commission SBC collections and DSM [Demand-Side Management] expenditures on a semi-annual basis and shall be due within 45 days of the end of the second and fourth quarters.

PacifiCorp has filed semi-annual reports as required by the Accounting Order.

- 5 The Commission in Docket UE-100170 approved, with conditions, PacifiCorp's ten-year conservation potential and biennial conservation target under RCW 19.285.040(1) and WAC 480-109-010. Some of the conditions are inconsistent with the Accounting Order paragraphs quoted above. On July 13, 2010, PacifiCorp and Commission Staff jointly moved (Joint Motion) for an order modifying the Accounting Order in this Docket so that it will be consistent with the requested conditions in Docket UE-100170.
- 6 In the Joint Motion, PacifiCorp and Commission Staff assert that PacifiCorp, Commission Staff, and other interested parties from PacifiCorp's demand-side management advisory group negotiated the conditions list for approval of PacifiCorp's ten-year conservation potential and biennial conservation target. PacifiCorp and Commission Staff further assert certain requested conditions serve the same purpose as the Finding and Ordering paragraphs described above. The conditions described above were designed to safeguard against PacifiCorp overcollecting through the SBC. The agreed-upon conditions list would eliminate the accrual of interest on any balance in the System Benefits Charge balancing account in favor of enhanced reporting requirements and a requirement that PacifiCorp adjust its SBC. Additionally, the agreed-to conditions list would modify the form and timing of PacifiCorp's SBC collection and DSM expenditure reports to coincide with information required to be filed in connection with conservation potential and achievement of PacifiCorp's biennial conservation target. PacifiCorp and Commission Staff aver that these conditions provide adequate safeguards against overcollection through the SBC, therefore the Accounting Order should be modified as requested.

FINDINGS AND CONCLUSIONS

- 7 (1) The Washington Utilities and Transportation Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies. *RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16, RCW 80.28.*
- 8 (2) PacifiCorp is an electric company and a public service company subject to Commission jurisdiction.
- 9 (3) The Commission has authority to modify its prior orders. *RCW 80.04.210.*
- 10 (4) The conditions proposed for approval of PacifiCorp's ten-year conservation potential and 2010-2011 biennial conservation target filed in UE-100170 provide adequate safeguards against overcollection through the SBC. It is in the public interest that the Accounting Order in this Docket be modified to reflect the conditions for approval of PacifiCorp's ten-year conservation potential and 2010-2011 biennial conservation target in Docket UE-100170.
- 11 (5) This matter was brought before the Commission at its regularly-scheduled meeting on July 29, 2010.

ORDER**THE COMMISSION ORDERS:**

- 12 (1) The Joint Motion to Amend Accounting Order, filed by Commission Staff and PacifiCorp, is granted.
- 13 (2) Paragraph 5 in the Findings section of the Accounting Order in this Docket is deleted.
- 14 (3) Paragraph 3 in the Order section of the Accounting Order in this Docket is deleted.

- 15 (4) Paragraph 1 in the Order section of the Accounting Order is revised to read as follows:

PacifiCorp d/b/a Pacific Power & Light Company is authorized to defer prospectively cost effective energy efficiency expenditures under programs approved by this Commission, effective after the date of this order. The energy efficiency expenditures shall be recovered through the System Benefits Charge commencing January 1, 2001. PacifiCorp d/b/a Pacific Power & Light Company shall report to the Commission SBC collections and DSM expenditures on a semi-annual basis in accordance with the Conditions set forth in Order 01 in Docket UE-100170.

DATED at Olympia, Washington, and effective July 29, 2010.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP P. JONES, Commissioner