

May 15, 2012

VIA ELECTRONIC FILING

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Attention: David W. Danner
Executive Director and Secretary

RE: Schedule 191 – System Benefits Charge Adjustment
Advice 12-02

Dear Mr. Danner:

Pursuant to RCW 80.28.050, RCW 80.28.060, and WAC 480-100-194, PacifiCorp, d.b.a. Pacific Power & Light Company (PacifiCorp or Company), submits for filing in electronic format a proposed tariff sheet revision to Schedule 191-System Benefits Charge Adjustment (SBC). The Company submits this filing in an effort to align its SBC balancing account revenues and expenses and respectfully requests an effective date of July 1, 2012.

First Revision of Sheet No. 191.1	Schedule 191	System Benefits Charge Adjustment
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The Company is proposing to increase the SBC collection rate, which is administered through Schedule 191, in order to align the Company's recovery of its costs associated with acquiring and administering cost effective conservation in its Washington service territory and to comply with the requirements of Initiative Measure No. 937 (I-937), which is codified as RCW 19.285.040 and implemented through WAC 480-109.

The current SBC collection rate is approximately \$8.8 million on an annual basis and was approved in Docket UE-091516 with an effective date of October 30, 2009. As of April 30, 2012, the SBC collection rate represents approximately 2.8 percent of Washington electric revenues. The Company proposes an increase of approximately \$2.6 million to \$11.4 million on an annual basis, or approximately 3.6 percent of Washington electric revenues.

These changes will result in an overall average increase to Washington customers of approximately 0.8 percent effective July 1, 2012. For the average residential customer using 1,300 kWh per month, the updates to Schedule 191 will result in a monthly bill increase of approximately 0.9 percent, or \$0.94. Table A attached to this filing, displays the changes by rate schedule for the updates to Schedule 191.

As of April 30, 2012, the SBC deferred account balance was under-collected by approximately \$1.3 million on an accrual basis. Based on the biennium energy acquisition targets filed with the

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Washington Utilities and Transportation Commission on January 31, 2012, adopted by Commission Order on April 26, 2012, expenditures associated with the acquisition of conservation savings and the production and distribution energy efficiency potential assessments are expected to exceed the revenue currently collected through Schedule 191. The proposed SBC represents approximately 3.6 percent of PacifiCorp's Washington electric revenues. As demonstrated in Attachment B the Company anticipates this proposed collection rate will more closely balance the SBC account by the end of December 2013.

As the ongoing expenses of the Demand-side Management (DSM) programs exceed the revenue currently collected through the SBC, the Company believes the requested increase is appropriate. Any delays in implementing the new collection rate will further contribute to the accrual of an under-collected balance in the SBC deferred account.

On April 16, 2012, a draft filing of this advice letter was provided by the Company to the DSM Advisory Group and a conference call was held with the DSM Advisory Group on April 27, 2012, to address comments and questions. Comments and edits to this letter from the DSM Advisory Group have been incorporated into this filing. These efforts were made pursuant to Condition 3a(iv) and Condition 3d in Docket UE-100170, Order 02.

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to:


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

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon, 97232

By fax: (503) 813-7274

Informal questions regarding this filing should be directed to Carla Bird at (503) 813-5269.

Sincerely,


William R. Griffith
Vice President, Regulation

Enclosures

ATTACHMENT A

**NOTICE
PACIFIC POWER & LIGHT COMPANY**

Pursuant to Washington Law (including without limitation RCW 80.28.050 and -060) and the Washington Utilities and Transportation Commission's (the "Commission") Rules & Regulations, Pacific Power & Light Company has filed with the Commission the original tariff schedules for electric service in the State of Washington.

Overview

The Company's current System Benefits Charge, Schedule 191 has been in effect since October 30, 2009. Since that time, the Company's programs that relate to Demand-Side Management have changed as have the Company's costs related to expenditures associated with the acquisition of conservation savings. This filing updates the Company's estimated conservation savings costs.

The Commission will examine the Company's proposed tariff sheet. As a result of such examination, the Commission may determine that any or all of said schedules should be accepted as filed, modified or rejected.

DATED: May 15, 2012

PACIFIC POWER

By William R. Griffith /s/ W.R.G.
William R. Griffith
Vice President, Regulation

ATTACHMENT B

Attachment B

The proposed tariff sheet to be revised in Pacific Power & Light Company's currently effective Tariff WN U-75 is designated as follows:

Schedule

First Revision Sheet No. 191.1

Schedule 191

System Benefits Charge Adjustment

ATTACHMENT C

TABLE A

**TABLE A. PRESENT AND PROPOSED RATES
PACIFIC POWER & LIGHT COMPANY
ESTIMATED EFFECT OF PROPOSED SYSTEM BENEFITS CHARGE CHANGE
ON REVENUES FROM ELECTRIC SALES TO ULTIMATE CONSUMERS
IN WASHINGTON
12 MONTHS ENDED DECEMBER 2011**

Line No.	Description (1)	Curr. Sch. No. (2)	Avg. Cust. (3)	MWH (4)	Present			Proposed			Net Change	
					Base Revenues (\$000) (5)	SBC Revenues (\$000) (6)	Net Revenues (\$000) (7)	Base Revenues (\$000) (8)	SBC Revenues (\$000) (9)	Net Revenues (\$000) (10)	(\$000) (11) (9)-(6)	% (12) (11)/(7)
Residential												
1	Residential Service Unbilled	16/18	104,004	1,612,212	\$135,313	\$3,950	\$139,263	\$135,313	\$5,115	\$140,428	\$1,165	0.8%
2	Total Residential		104,004	1,612,212	\$135,313	\$3,950	\$139,263	\$135,313	\$5,115	\$140,428	\$1,165	0.8%
Commercial & Industrial												
3	Small General Service	24	18,525	540,281	\$45,272	\$1,324	\$46,595	\$45,272	\$1,711	\$46,983	\$388	0.8%
4	Partial Requirements Service	33	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
5	Large General Service <1,000 kW	36	1,055	871,133	\$61,693	\$1,777	\$63,470	\$61,693	\$2,332	\$64,025	\$555	0.9%
6	Agricultural Pumping Service	40	5,253	150,079	\$11,869	\$345	\$12,214	\$11,869	\$449	\$12,318	\$104	0.8%
7	Partial Requirements Service => 1,000 kW	47	1	1,364	\$240	\$2	\$243	\$240	\$3	\$243	\$1	0.3%
8	Large General Service => 1,000 kW	48	58	804,397	\$46,269	\$1,335	\$47,605	\$46,269	\$1,749	\$48,019	\$414	0.9%
9	Recreational Field Lighting Unbilled	54	28	244	\$22	\$1	\$22	\$22	\$1	\$22	\$0	0.6%
10	Total Commercial & Industrial		24,920	2,367,498	\$165,365	\$4,784	\$170,149	\$165,365	\$6,245	\$171,610	\$1,461	0.9%
Public Street Lighting												
11	Outdoor Area Lighting Service	15	2,591	3,461	\$487	\$8	\$495	\$487	\$10	\$497	\$2	0.5%
12	Street Lighting Service	51	155	3,305	\$657	\$7	\$664	\$657	\$9	\$666	\$2	0.3%
13	Street Lighting Service	52	18	324	\$51	\$1	\$52	\$51	\$1	\$52	\$0	0.4%
14	Street Lighting Service	53	205	4,666	\$319	\$10	\$330	\$319	\$13	\$333	\$3	1.0%
15	Street Lighting Service Unbilled	57	41	1,959	\$236	\$4	\$241	\$236	\$6	\$242	\$1	0.6%
16	Total Public Street Lighting		3,010	13,715	\$1,751	\$30	\$1,781	\$1,751	\$39	\$1,790	\$9	0.5%
17	Total Sales to Standard Tariff Customers		131,934	3,993,425	\$302,429	\$8,764	\$311,193	\$302,429	\$11,400	\$313,829	\$2,636	0.8%
18	Total AGA				\$828		\$828	\$828		\$828		
19	Total Sales to Ultimate Consumers		131,934	3,993,425	\$303,256	\$8,764	\$312,021	\$303,256	\$11,400	\$314,656	\$2,636	0.8%