

June 1, 2017

***VIA ELECTRONIC FILING***

Steven V. King  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
P.O. Box 47250  
Olympia, WA 98504-7250

**RE: Advice No. 17-05—Schedule 191—System Benefits Charge Adjustment**

Pacific Power & Light Company (Pacific Power or Company), a division of PacifiCorp, submits the following revised tariff sheet under RCW 80.28.050, WAC 480-109-130, and WAC chapter 480-80. The Company requests an effective date of August 1, 2017.

Sixth Revision of Sheet No. 191.1      Schedule 191                      System Benefits Charge Adjustment

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

The current SBC collection rate is approximately \$12.9 million on an annual basis and was approved in Docket UE-160790 with an effective date of August 5, 2016. As of March 31, 2017, the SBC collection rate represents approximately 3.84 percent of Pacific Power's Washington electric revenues. As shown in Attachment C, based on current cost and Schedule 191 revenue projections, the balance in the SBC deferred account will be approximately \$1.0 million under-collected by August 1, 2018.

The Company's 2016 conservation costs aligned well with the forecast provided in last's year System Benefits Charge Deferred Account Analysis. During 2016, the Company's conservation target was increased by 2.5 percent in compliance with Order 12 in Docket UE-152253, and the Company is forecasting a 2 percent increase in 2017 expenditures to help ensure the higher targets are achieved. The 2018 expenditure forecast is comparable to the 2017 forecast and is the best available information before the completion of the 2018-2019 target setting process.

Accordingly, the Company proposes an annual increase of approximately \$1.0 million. This will result in an overall average increase of approximately 0.3 percent to Pacific Power's Washington customers. If approved, a residential customer using approximately 1,200 kWh per month will see a bill increase of approximately \$0.32 per month. Attachment E is the Company's proposed Schedule 191 tariff sheet, which lists the proposed rate changes by rate schedule.

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In accordance with WAC 480-100-194(1), the Company is providing thirty-day notice to affected customers in the form of a bill insert. The customer notice is enclosed as Attachment A.

The Company provided an email to the DSM Advisory Group members on May 1, 2017, that the Company's deferred account balance analysis indicated an upward rate adjustment would be necessary and filed by June 1, 2017. A courtesy copy of this filing was provided to the DSM Advisory Group.

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

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

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

Informal questions can be directed to Ariel Son, Regulatory Affairs Manager, at (503) 813-5410.

Sincerely,

                  /s/

R. Bryce Dalley  
Vice President, Regulation  
Pacific Power & Light Company  
825 NE Multnomah Street, Suite 2000  
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(503) 813-6389  
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Enclosures

Attachment A – Customer Notice  
Attachment B – List of Tariff Sheets  
Attachment C – System Benefits Charge Deferred Account Analysis  
Attachment D – Estimated Effect of Proposed Base Rate Increase  
Attachment E – Schedule 191