### BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKET UE-161204

ORDER 12

COMPLAINANT,

V.

PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY,

APPROVING STRANDED COST RECOVERY FEE

**RESPONDENT.** 

## BACKGROUND

- I On November 14, 2016, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its then effective Tariff WN U-75. The tariff filing would have amended Rule 1 General Rules and Regulations; Rule 4 Application for Electric Service; Rule 6 Facilities on Customer Premises; and Schedule 300 Charges as Defined by the Rules and Regulations. PacifiCorp filed those revisions to amend what the Company referred to as its Net Removal Tariff. The amendments provided for a stranded cost recovery fee (SCRF) that the Company would charge customers terminating their service with PacifiCorp in order to obtain electrical service from another provider. The Commission suspended the tariff revisions pending a determination as to their fairness, justness, reasonableness, and sufficiency.
- 2 Following an adjudication, the Commission issued Order 09 in this docket rejecting PacifiCorp's compliance filing and requiring the Company to revise the rejected filing. Among other things, Order 09 required PacifiCorp to revise Tariff WN U-75 such that any SCRF charged by the Company would be subject to Commission review. The Company filed the required revisions on February 8, 2018.
- 3 On May 21, 2020, PacifiCorp filed the first SCRF charged under the revisions to the Net Removal Tariff for approval as required by Order 09. The departing customer did not contest the SCRF and paid the fee.
- 4 On February 29, 2024, the Company filed two additional SCRF charges as required by Order 09. The departing customers do not contest the respective SCRFs and have, in fact, already paid the fees.

- 5 On August 26, 2024, the Company filed its most recent charges as required by Order 09. Company states that the customer does not contest the amount and intends to pay the fee.
- 6 Commission Staff (Staff) has reviewed the Company's filing and finds the SCRFs to be fair, just, reasonable, and sufficient. Staff recommends that the Commission approve the SCRFs.

### DISCUSSION

7 In Orders 06 and 09 in this docket, the Commission determined that, given that a case-bycase inquiry is called for to determine the appropriate SCRF for a departing customer, any such fee is effectively a tariff filing requiring Commission approval at a regularly scheduled open meeting. The SCRFs for which PacifiCorp seeks review in this filing properly reflect the costs and benefits of the customer's decision to terminate service with PacifiCorp. This allows the Company to recover investments made to serve the departing customers in a fair, just, reasonable and sufficient manner. We approve the SCRFs.

# FINDINGS AND CONCLUSIONS

- 8 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of property and affiliated interests of public service companies, including electric companies.
- 9 (2) PacifiCorp is a public service company and electric company subject to Commission jurisdiction.
- 10 (3) This matter was brought before the Commission at its regularly scheduled meeting on January 30, 2025.
- (4) The SCRFs proposed by PacifiCorp are fair, just, reasonable, and sufficient; and should be approved.

### ORDER

#### THE COMMISSION ORDERS:

- 12 (1) PacifiCorp d/b/a Pacific Power & Light Company's proposed stranded cost recovery fees are approved.
- 13 (2) The Commission retains jurisdiction over the subject matter and PacifiCorp d/b/a Pacific Power & Light Company to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective January 30, 2025.

### WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFF KILLIP Executive Director and Secretary