

April 28, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

RE: UM 2167(1)—PacifiCorp’s Application for Approval of Deferred Accounting for Revenues Associated with RECs from Pryor Mountain.

PacifiCorp d/b/a Pacific Power submits for filing its Application for Approval of Deferred Accounting for the revenues associated with the renewable energy certificates from the Pryor Mountain Wind Facility.

Confidential information in this application is provided in accordance with Oregon Administrative Rule 860-001-0070.

PacifiCorp respectfully requests that all communications related to this filing be addressed to:

Oregon Dockets
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
oregondockets@pacificorp.com

Ajay Kumar
Senior Attorney
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
ajay.kumar@pacificorp.com

Additionally, PacifiCorp requests that all formal information requests regarding this matter be addressed to:

By email (preferred): datarequest@pacificorp.com.

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

UM 2167(1)
Public Utility Commission of Oregon
April 28, 2022
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Informal inquiries may be directed to Jennifer Angell, Regulatory Project Manager, at (503) 331-4414 or jennifer.angell@pacificorp.com.

Sincerely,

A handwritten signature in cursive script that reads "Shelley McCoy".

Shelley McCoy
Director, Regulation

Enclosure

Cc: UM 2167 Service List
UE 399 Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2167(1)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred Accounting
for Revenues Associated with RECs from Pryor
Mountain

**APPLICATION FOR
REAUTHORIZATION OF
DEFERRED ACCOUNTING**

I. INTRODUCTION

In accordance with ORS 757.259(2)(e) and OAR 860-027-0300, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) applies to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the Company to defer the revenues associated with the renewable energy certificates (RECs) from the Pryor Mountain Wind Facility. PacifiCorp seeks continued deferral of these revenues to track and preserve them for later ratemaking treatment and the benefit of customers. PacifiCorp seeks reauthorization to defer these costs through December 31, 2022.

II. CONTACT INFORMATION

Communications regarding this application should be addressed to:

Oregon Dockets
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Ajay Kumar
Senior Attorney
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: ajay.kumar@pacificorp.com

In addition, PacifiCorp requests that all data requests regarding this application be sent to the following:

By email (preferred): datarequest@pacificorp.com

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

Informal questions may be directed to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

III. BACKGROUND

Pryor Mountain is a 240-megawatt wind facility located in Carbon County, Montana. In 2019, PacifiCorp purchased the development rights for the Pryor Mountain Wind Facility and contracted with Vitesse, LLC (Vitesse) to purchase all the RECs associated with the project under Oregon’s Schedule 272. In December of 2020, the Commission found that PacifiCorp’s investment in the Pryor Mountain wind project to be prudent and in the public interest.¹ On April 1, 2021, the Pryor Mountain project was placed in service, and PacifiCorp filed on April 5, 2021, to recover the costs of the project and pass on the net power cost benefits to customers.² Under the Schedule 272 agreement with Vitesse, PacifiCorp supplies and retires on behalf of Vitesse, all of the RECs generated by the resource for which PacifiCorp receives certain revenue. PacifiCorp will seek amortization of the deferred amount in a future Commission proceeding.³

On May 13, 2021, the PacifiCorp filed an application for authorization to defer the revenues related to this REC transfer under Schedule 272. On March 22, 2022, the Company filed a motion to consolidate the pending May 2021 deferral application with its pending

¹ *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Revision*, Docket No. UE 374, Order No. 20-473 at 50 (Dec. 18, 2020).

² *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Revision*, Docket No. UE 374, Advice No. 21-009, Compliance Filing (Apr. 5, 2021).

³ In accordance with OAR 860-027-0300, PacifiCorp will file for reauthorization of the deferral, as necessary.

general rate case, docket UE 399.⁴ On April 11, 2022, Administrative Law Judge Lackey issued a Ruling approving the consolidation of the May 2021 deferral with UE 399.⁵

PacifiCorp seeks with this application to continue deferral of the revenues associated with the RECs from the Pryor Mountain Wind Facility through December 31, 2022. PacifiCorp has proposed including the revenues associated with the RECs from the Pryor Mountain Wind Facility in base rates effective January 1, 2023.⁶

IV. OAR 860-027-0300(3) REQUIREMENTS

PacifiCorp respectfully requests approval authorizing the deferral for future ratemaking of the revenues related to this REC transfer under Schedule 272. The deferrals will allow the Company to pass these revenues back to customers during a later ratemaking proceeding.

A. Description of Utility Revenue

Under the individually negotiated agreement provisions in Schedule 272, PacifiCorp entered into an agreement to sell Vitesse all RECs generated from a specific renewable resource, in this case Pryor Mountain, and retire the RECs on their behalf. It is the revenue from these purchases that PacifiCorp is seeking to defer for the benefit of PacifiCorp's customers.

B. Reasons for Deferral

The sale of RECs from Pryor Mountain to Vitesse generates revenue that PacifiCorp seeks to defer so that it may be returned to customers in a future ratemaking proceeding.

⁴ *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Revision*, Docket No. UE 399, PacifiCorp's Motion to Consolidate Docket Nos. UM 1964, UM 2134, UM 2142, UM 2167, UM 2185, UM 2186 (Mar. 22, 2022).

⁵ Docket No. UE 399, Ruling issued April 11, 2022.

⁶ *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Revision*, Docket No. UE 399, PacifiCorp's Motion to Consolidate Docket Nos. UM 1964, UM 2134, UM 2142, UM 2167, UM 2185, UM 2186 (Mar. 22, 2022). Direct testimony of Sherona L. Cheung at 35.

Consistent with PacifiCorp's testimony in the general rate case, this revenue is intended to provide a benefit for customers.⁷ Allowing PacifiCorp to create a regulatory liability will allow PacifiCorp to track and eventually provide this revenue to customers as a benefit.

C. Proposed Accounting

Beginning on the date that the Pryor Mountain Wind Facility was placed in service, PacifiCorp proposes to account for the revenue by recording the deferral in Account 254 (Other Regulatory Liabilities).

D. Estimate of Amounts

PacifiCorp estimates that approximately [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] plus interest may be deferred as revenue between May 1, 2022, and through December 31, 2022. This estimate was developed by taking the total-company estimated revenue of [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] and applying the approved system generation allocation factor.

E. Notice

A Notice of PacifiCorp's Application for Reauthorization of Deferred Accounting for revenues relating to RECs from Pryor Mountain Wind Facility is included as Exhibit A, along with the list of persons served.

V. OAR 860-027-0300(4) REQUIREMENTS

A. Entries in the Deferred Account to Date

Confidential Exhibit B provides the current history of PacifiCorp's balancing account related to the revenues associated with RECs from Pryor Mountain Wind Facility.

⁷ *In the Matter of PacifiCorp, dba Pacific Power, Request for a General Rate Revision*, Docket No. UE 374, Exhibit PAC/2300, Link/72 (June 25, 2020).

B. Reason for Continuation of Deferred Accounting

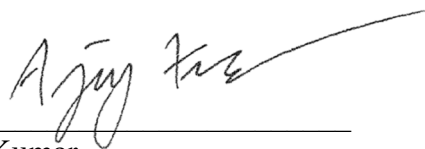
As discussed in this application, continuation of this deferral will allow PacifiCorp to track and eventually provide this revenue to customers as a benefit in a future ratemaking proceeding.

VI. CONCLUSION

PacifiCorp respectfully requests that the Commission reauthorize the Company to defer the revenues described in this Application for the 12-month period ending April 30, 2023.

Respectfully submitted this 28 day of April, 2022.

By:



Ajay Kumar
Senior Attorney, OSB# 183903
PacifiCorp
825 NE Multnomah St, Suite 2000
Portland, OR 97232

Attorney for PacifiCorp

Exhibit A

EXHIBIT A
NOTICE
BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 2167(1)

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of Deferred
Accounting for Revenues Associated with RECs
from Pryor Mountain

NOTICE OF
APPLICATION FOR DEFERRED
ACCOUNTING

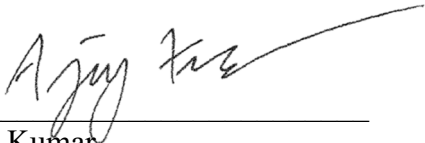
On April 28, 2022, PacifiCorp d/b/a Pacific Power (PacifiCorp) filed an application with the Public Utility Commission of Oregon (Commission) for an order reauthorizing deferral of the revenues associated with the renewable energy certificates from the Pryor Mountain Wind Facility. The granting of this application will not authorize a change in rates but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding. To obtain a copy of the application, contact the following:

Oregon Dockets
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: oregondockets@pacificorp.com

Any person who wishes to submit written comments to the Commission must do so within 25 days of the date of PacifiCorp's application.

Respectfully submitted on April 28, 2022.

By:



Ajay Kumar
Senior Attorney

CONFIDENTIAL
Exhibit B

**THIS ATTACHMENT IS CONFIDENTIAL IN ITS
ENTIRETY AND IS PROVIDED UNDER SEPARATE
COVER**

CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of **PacifiCorp's Motion to Supplement the Initial Filing** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

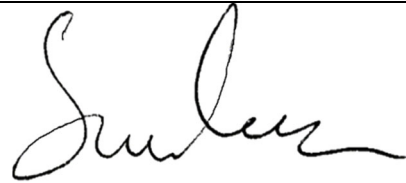
Service List UE 399

PACIFICORP	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 oregondockets@pacificorp.com	AJAY KUMAR (C) PACIFICORP 825 NE MULTNOMAH ST STE 2000 PORTLAND, OR 97232 ajay.kumar@pacificorp.com
STAFF	
MATTHEW MULDOON (C) PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM OR 97308 matt.muldoon@state.or.us	SOMMER MOSER (C) PUC STAFF - DEPARTMENT OF JUSTICE 1162 COURT ST NE SALEM, OR 97301 sommer.moser@doj.state.or.us
JILL D GOATCHER (C) PUC STAFF--DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM OR 97301-4096 jill.d.goatcher@doj.state.or.us	JOHANNA RIEMENSCHNEIDER (C) PUC STAFF - DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM OR 97301-4796 johanna.riemenschneider@doj.state.or.us
AWEC	
BRENT COLEMAN (C) DAVISON VAN CLEVE, PC 1750 SW HARBOR WAY, SUITE 450 PORTLAND OR 97201 blc@dvclaw.com	JESSE O GORSUCH (C) 1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 jog@dvclaw.com
TYLER C PEPPLER (C) DAVISON VAN CLEVE, PC 1750 SW HARBOR WAY STE 450 PORTLAND OR 97201 tcp@dvclaw.com	
CALPINE SOLUTIONS	
GREGORY M. ADAMS RICHARDSON ADAMS, PLLC PO BOX 7218 BOISE ID 83702 greg@richardsonadams.com	GREG BASS CALPINE ENERGY SOLUTIONS, LLC 401 WEST A ST, STE 500 SAN DIEGO CA 92101 greg.bass@calpinesolutions.com

<p>KEVIN HIGGINS ENERGY STRATEGIES LLC 215 STATE ST - STE 200 SALT LAKE CITY UT 84111-2322 khiggins@energystrat.com</p>	
CUB	
<p>MICHAEL GOETZ (C) OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY STE 400 PORTLAND OR 97205 mike@oregoncub.org</p>	<p>WILLIAM GEHRKE (C) OREGON CITIZENS' UTILITY BOARD 610 SW BROADWAY, STE 400 PORTLAND OR 97205 will@oregoncub.org</p>
dockets@oregoncub.org	
KWUA	
<p>LLOYD REED (C) REED CONSULTING 10025 HEATHERWOOD LANE HIGHLANDS RANCH CO 80126 lloyd.reed@lloydreedconsulting.com</p>	<p>CRYTAL RIVERA (C) SOMACH SIMMONS & DUNN 500 CAPITOL MALL STE 1000 SACRAMENTO CA 95814 crivera@somachlaw.com</p>
OREGON FARM BUREAU	
<p>MARY ANNE COOPER (C) OREGON FARM BUREAU FEDERATION 1320 CAPITOL ST NE STE 200 SALEM OR 97301 maryanne@oregonfb.org</p>	<p>PAUL S SIMMONS (C) OREGON FARM BUREAU FEDERATION 550 CAPITOL MALL STE 1000 SACREAMENTO CA 95814 psimmons@somachlaw.com</p>
VITESSE	
<p>DENNIS BARTLETT META PLATFORMS, INC. dbart@fb.com</p>	<p>JACOB MCDERMOTT META PLATFORMS, INC. jacobmcdermott@fb.com</p>
<p>IRION A SANGER SANGER LAW PC 1041 SE 58TH PLACE PORTLAND OR 97215 irion@sanger-law.com</p>	
FRED MEYER	
<p>JUSTIN BIEBER (C) FRED MEYER/ENERGY STRATEGIES LLC 215 SOUTH STATE STREET, STE 200 SALT LAKE CITY UT 84111 jbieber@energystrat.com</p>	<p>KURT J BOEHM (C) BOEHM KURTZ & LOWRY 36 E SEVENTH ST - STE 1510 CINCINNATI OH 45202 kboehm@bkllawfirm.com</p>
<p>JODY KYLER COHN (C) BOEHM, KURTZ & LOWRY 36 E SEVENTH ST STE 1510 CINCINNATI OH 45202 jkylerecohn@bkllawfirm.com</p>	

SBUA	
JAMES BIRKELUND SMALL BUSINESS UTILITY ADVOCATES 548 MARKET ST STE 11200 SAN FRANCISCO CA 94104 james@utilityadvocates.org	DIANE HENKELS SMALL BUSINESS UTILITY ADVOCATES 621 SW MORRISON ST. STE 1025 PORTLAND OR 97205 diane@utilityadvocates.org
WALMART	
VICKI M BALDWIN (C) PARSONS BEHLE & LATIMER 201 S MAIN ST STE 1800 SALT LAKE CITY UT 84111 vbaldwin@parsonsbehle.com	STEVE W CHRISS (C) WAL-MART STORES, INC. 2001 SE 10TH ST BENTONVILLE AR 72716-0550 stephen.chriss@wal-mart.com
ALEX KRONAUER (C) WALMART alex.kronauer@walmart.com	

Dated this 28nd day of April, 2022.



Santiago Gutierrez
Coordinator, Regulatory Operations

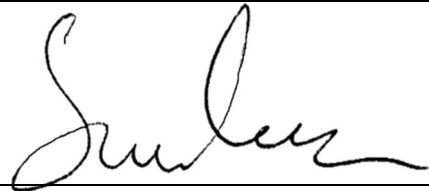
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Service List UM 2167

PACIFICORP	
PACIFICORP, DBA PACIFIC POWER 825 NE MULTNOMAH ST, STE 2000 PORTLAND, OR 97232 oregondockets@pacificorp.com	AJAY KUMAR PACIFICORP 825 NE MULTNOMAH ST STE 2000 PORTLAND, OR 97232 ajay.kumar@pacificorp.com
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MATTHEW MULDOON PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM OR 97308 matt.muldoon@state.or.us	SOMMER MOSER PUC STAFF - DEPARTMENT OF JUSTICE 1162 COURT ST NE SALEM, OR 97301 sommer.moser@doj.state.or.us
PUBLIC UTILITY COMMISSION OF OREGON	
HEATHER COHEN PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM OR 97308-1088 heather.b.cohen@puc.oregon.gov	KATHY ZARATE PUBLIC UTILITY COMMISSION OF OREGON 201 HIGH ST SE STE 100 SALEM OR 97301 kathy.zarate@puc.oregon.gov

Dated this 28nd day of April, 2022.



Santiago Gutierrez
Coordinator, Regulatory Operations