

December 2, 2016

**VIA ELECTRONIC FILING**Public Utility Commission of Oregon  
201 High St SE, Suite 100  
Salem, Oregon 97301-3398

Attn: Filing Center

**RE: Advice No. 16-017-Schedule 297-Energy Conservation Charge**

In compliance with ORS 757.205 and OAR 860-022-0025, PacifiCorp d/b/a Pacific Power (Company) submits for filing proposed tariff sheets associated with Tariff P.U.C. OR No. 36, which sets forth all rates, tolls, charges, rules, and regulations applicable to electric service in Oregon. The Company respectfully requests an effective date of January 11, 2017.

Fourth Revision of Sheet No. 297-1	Schedule 297	Energy Conservation Charge
Eighth Revision of Sheet No. 297-2	Schedule 297	Energy Conservation Charge

**Background**

In November 2016, ETO updated its budget and funding requirements forecast. The update is part of an ongoing process to help ensure ETO operating funds are adequate and closely aligned with the Schedule 297 collection rate. The purpose of this filing is to update Schedule 297 to reflect an annual rate increase of approximately \$3.2 million based on the Energy Trust of Oregon's (ETO) updated forecast of funding levels for 2017.

**Funding Requirements**

The IRP targets for 2016 through 2017 are shown in Table 1 below. The funding analysis, performed jointly by the Company and ETO, reflects ETO pursuing a 2017 target of 23.8 aMW, which exceeds the 2017 target amount from the Company's 2015 IRP.

**Table 1**  
**Overall Energy Efficiency Targets from the 2015 IRP**

	aMW (gross)
2016	19.2
2017	17.6

ETO is developing a 2017 budget and action plan. This activity provided additional insight on likely energy efficiency acquisition targets and funding levels for 2017. The ETO targets are not intended to replace or supersede targets generated by the 2015 IRP or any future IRPs. Targets used to help inform funding requirements are shown in Table 2.

**Table 2**  
**ETO Target for 2016 and ETO Action Plan Target for 2017**

	aMW (gross)
2016	24.0
2017	23.8

Requested Increase

Estimated funding for ETO action plan targets combined with the estimated 2016 carry-over balance supports a rate increase to Schedule 297. The Company requests the Schedule 297 Energy Conservation Charge be increased by \$3.2 million annually. With this rate adjustment, the Company is also proposing to make a corresponding change to the percentage disbursement of funds to Pacific Power from 3.0 percent to 3.2 percent of annual collections to accurately maintain the funding level needed to support ETO's activities.

The Company and ETO will regularly monitor actual revenues and energy efficiency acquisition costs to determine if additional rate adjustments are necessary.

To support the proposed rates and meet the requirements of OAR 860-022-0025, the Company submits proposed Schedule 297 along with the following attachments:

Attachment A            Calculation of Proposed Energy Conservation Charge  
Attachment B            Estimated Effect of Proposed Price Change

As shown in Attachment B, this proposed rate change will affect approximately 596,000 customers and result in an overall rate increase of approximately \$3.2 million or 0.3 percent. A typical residential customer using 900 kilowatt-hours per month will see a monthly bill increase of \$0.30.

It is respectfully requested that all formal data 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, Suite 2000  
Portland, Oregon 97232

Public Utility Commission of Oregon

December 2, 2016

Page 3

Informal inquiries regarding this filing may be directed to Natasha Siores, Regulatory Affairs Manager at (503) 813-6583.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bryce Dalley", with a long horizontal flourish extending to the right.

R. Bryce Dalley  
Vice President, Regulation

Enclosures

# Schedule 297-Energy Conservation Charge

Fourth Revision of Sheet No. 297-1

Eighth Revision of Sheet No. 297-2

ENERGY CONSERVATION CHARGE

Page 1

**Purpose**

To fund or implement cost-effective energy conservation measures pursuant to the Oregon Renewable Energy Act, SB 838 (2007), Section 46.

**Applicable**

To all consumers located within Company's service territory except as provided below under Exemptions. Exempted consumers will not be charged under this schedule nor directly benefit from energy conservation measures funded by this schedule.

**Exemptions**

A consumer with load greater than one average megawatt is exempted from this charge. A consumer shall be considered to have a load greater than one average megawatt if during a twelve month review period the consumer has registered usage for the period greater than or equal to 8,760 megawatt-hours. The Company will review accounts and identify exempt consumers annually in January.

Consumers that receive Oregon Department of Energy approval of a request for eligibility for self-direction for a specific site pursuant to OAR 330-140-0010 and 330-140-0030(6) are also exempted from this charge.

**Disbursement of Funds**

Funds collected under this schedule will be distributed as follows:

1. 96.8% of the funds collected for energy conservation - Energy Trust of Oregon. (C)
2. 3.2% of the funds collected for energy conservation - Pacific Power with the following (C) provisions:
  - a. Use of funds distributed under this provision shall be established collaboratively with the Energy Trust of Oregon prior to expenditure for a twelve (12) month period as defined in the supplemental energy efficiency funding agreement between the Energy Trust of Oregon and the Company.
  - b. Funds collected under this provision shall be included in the Energy Trust of Oregon's performance metrics as established by the Commission.
  - c. Use of funds distributed under this provision for advertising will not be used for advertising established as Class C or Class D under OAR 860-026-0022.

(continued)

**ENERGY CONSERVATION CHARGE**
**Energy Conservation Charge**

The applicable adjustment rates are listed below by Delivery Service Schedule.

<u>Schedule</u>	<u>Adjustment Rate</u>
4	0.367 cents per kWh
5	0.367 cents per kWh
15	0.484 cents per kWh
23, 723	0.364 cents per kWh
28, 728	0.294 cents per kWh
30, 730	0.259 cents per kWh
41, 741	0.350 cents per kWh
47, 747	0.219 cents per kWh
48, 748	0.219 cents per kWh
50	0.423 cents per kWh
51, 751	0.672 cents per kWh
52, 752	0.482 cents per kWh
53, 753	0.239 cents per kWh
54, 754	0.312 cents per kWh

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# Attachment A

## Calculation of Proposed Energy Conservation Charge

**PACIFIC POWER  
STATE OF OREGON  
CALCULATION OF PROPOSED ENERGY CONSERVATION CHARGE  
FORECAST 12 MONTHS ENDING DECEMBER 31, 2017**

Line No.	Description	Sch No.	Test Period MWh	Exempt MWh <sup>1</sup>	Adjusted MWh	Present Net Revenues <sup>2</sup> (\$000)	Net Average Rates ¢/kWh	Estimated Exempt Revenues (\$000)	Adjusted Net Revenues (\$000)	Spread %	Proposed ECC Schedule 297 Revenues (\$000)	Rate ¢/kWh
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
					(3) - (4)		(6) / (3)	(4) * (7)	(6) - (8)			(11) / (5)
<b>Residential</b>												
1	Residential	4	5,230,048	0	5,230,048	\$605,558	11.578	\$0	\$605,558	3.17%	\$19,194	0.367
2	<b>Total Residential</b>		5,230,048	0	5,230,048	\$605,558		\$0	\$605,558		\$19,194	
<b>Commercial &amp; Industrial</b>												
3	Gen. Svc. < 31 kW	23	1,107,028	10,891	1,096,137	\$127,101	11.481	\$1,250	\$125,851	3.17%	\$3,990	0.364
4	Gen. Svc. 31 - 200 kW	28	2,028,199	16,126	2,012,073	\$187,840	9.261	\$1,494	\$186,346	3.17%	\$5,915	0.294
5	Gen. Svc. 201 - 999 kW	30	1,364,966	82,715	1,282,251	\$111,677	8.182	\$6,767	\$104,910	3.17%	\$3,321	0.259
6	Large General Service >= 1,000 kW	48	2,708,614	2,240,448	468,166	\$187,050	6.906	\$154,720	\$32,330	3.17%	\$1,025	0.219
7	Partial Req. Svc. >= 1,000 kW	47	143,112	138,640	4,472	\$11,686	8.166	\$11,321	\$365	3.17%	\$10	0.219
8	Agricultural Pumping Service		233,276	0	233,276	\$25,741	11.035	\$0	\$25,741	3.17%	\$816	0.350
9	<b>Total Commercial &amp; Industrial</b>	41	7,585,195	2,488,821	5,096,374	\$651,095		\$175,552	\$475,543		\$15,078	
<b>Lighting</b>												
10	Outdoor Area Lighting Service	15	9,366	0	9,366	\$1,430	15.268	\$0	\$1,430	3.17%	\$45	0.484
11	Street Lighting Service	50	7,782	0	7,782	\$1,038	13.338	\$0	\$1,038	3.17%	\$33	0.423
12	Street Lighting Service HPS	51	19,908	0	19,908	\$4,219	21.192	\$0	\$4,219	3.17%	\$134	0.672
13	Street Lighting Service	52	401	0	401	\$61	15.212	\$0	\$61	3.17%	\$2	0.482
14	Street Lighting Service	53	9,910	0	9,910	\$748	7.548	\$0	\$748	3.17%	\$24	0.239
15	Recreational Field Lighting	54	1,464	0	1,464	\$144	9.836	\$0	\$144	3.17%	\$5	0.312
16	<b>Total Public Street Lighting</b>		48,831	0	48,831	\$7,640		\$0	\$7,640		\$242	
17	<b>Total Sales to Ultimate Consumers</b>		12,864,074	2,488,821	10,375,253	\$1,264,293		\$175,552	\$1,088,741		\$34,514	
18	<b>Employee Discount</b>		16,436		16,436	(\$467)		\$0	(\$467)	3.17%	(\$15)	
19	<b>Total Sales with Employee Discount</b>		12,864,074	2,488,821	10,375,253	\$1,263,826		\$175,552	\$1,088,274		\$34,499	

<sup>1</sup> MWh for the test period based on historic MWh for currently exempt customers.

<sup>2</sup> Excludes effects of the Low Income Bill Payment Assistance Charge (Sch. 91), BPA Credit (Sch. 98), Klamath Dam Removal Surcharges (Sch. 199), Public Purpose Charge (Sch. 290) and Energy Conservation Charge (Sch. 297).



## Attachment B

### Estimated Effect of Proposed Price Change

Schedule 297 - Energy Conservation Charge

**PACIFIC POWER**  
**ESTIMATED EFFECT OF PROPOSED PRICE CHANGE**  
**ON REVENUES FROM ELECTRIC SALES TO ULTIMATE CONSUMERS**  
**DISTRIBUTED BY RATE SCHEDULES IN OREGON**  
**FORECAST 12 MONTHS ENDING DECEMBER 31, 2017**

Line No.	Description	Sch No.	No. of Cust	MWh	Present Revenues (\$000)			Proposed Revenues (\$000)			Change		Line No.	
					Base Rates	Adders <sup>1</sup>	Net Rates	Base Rates	Adders <sup>1</sup>	Net Rates	Base Rates	Net Rates		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					(5) + (6)					(8) + (9)	(8) - (5)	(11) - (5)	(10) - (7)	(13) / (7)
<b>Residential</b>														
1	Residential	4	490,463	5,230,048	\$597,765	\$7,793	\$605,558	\$597,765	\$9,571	\$607,336	\$0	0.0%	\$1,778	0.3%
2	<b>Total Residential</b>		490,463	5,230,048	\$597,765	\$7,793	\$605,558	\$597,765	\$9,571	\$607,336	\$0	0.0%	\$1,778	0.3%
<b>Commercial &amp; Industrial</b>														
3	Gen. Svc. < 31 kW	23	78,294	1,107,028	\$121,654	\$5,447	\$127,101	\$121,654	\$5,842	\$127,496	\$0	0.0%	\$395	0.3%
4	Gen. Svc. 31 - 200 kW	28	9,997	2,028,199	\$183,967	\$3,873	\$187,840	\$183,967	\$4,436	\$188,403	\$0	0.0%	\$563	0.3%
5	Gen. Svc. 201 - 999 kW	30	810	1,364,966	\$110,135	\$1,542	\$111,677	\$110,135	\$1,850	\$111,985	\$0	0.0%	\$308	0.3%
6	Large General Service >= 1,000 kW	48	187	2,708,614	\$193,506	(\$6,456)	\$187,050	\$193,506	(\$6,353)	\$187,153	\$0	0.0%	\$103	0.1%
7	Partial Req. Svc. >= 1,000 kW	47	7	143,112	\$12,104	(\$418)	\$11,686	\$12,104	(\$417)	\$11,687	\$0	0.0%	\$1	0.1%
8	Agricultural Pumping Service	41	7,950	233,276	\$26,924	(\$1,183)	\$25,741	\$26,924	(\$1,106)	\$25,818	\$0	0.0%	\$77	0.3%
9	<b>Total Commercial &amp; Industrial</b>		97,245	7,585,195	\$648,290	\$2,805	\$651,095	\$648,290	\$4,252	\$652,542	\$0	0.0%	\$1,447	0.2%
<b>Lighting</b>														
10	Outdoor Area Lighting Service	15	6,424	9,366	\$1,203	\$227	\$1,430	\$1,203	\$231	\$1,434	\$0	0.0%	\$4	0.3%
11	Street Lighting Service	50	227	7,782	\$864	\$174	\$1,038	\$864	\$177	\$1,041	\$0	0.0%	\$3	0.3%
12	Street Lighting Service HPS	51	781	19,908	\$3,488	\$731	\$4,219	\$3,488	\$743	\$4,231	\$0	0.0%	\$12	0.3%
13	Street Lighting Service	52	35	401	\$52	\$9	\$61	\$52	\$9	\$61	\$0	0.0%	\$0	0.3%
14	Street Lighting Service	53	257	9,910	\$622	\$126	\$748	\$622	\$128	\$750	\$0	0.0%	\$2	0.3%
15	Recreational Field Lighting	54	107	1,464	\$121	\$23	\$144	\$121	\$23	\$144	\$0	0.0%	\$0	0.3%
16	<b>Total Public Street Lighting</b>		7,831	48,831	\$6,350	\$1,290	\$7,640	\$6,350	\$1,312	\$7,662	\$0	0.0%	\$22	0.3%
17	<b>Total Sales before Emp. Disc. &amp; AGA</b>		595,539	12,864,074	\$1,252,405	\$11,888	\$1,264,293	\$1,252,405	\$15,135	\$1,267,540	\$0	0.0%	\$3,247	0.3%
18	Employee Discount				(\$464)	(\$3)	(\$467)	(\$464)	(\$4)	(\$468)	\$0			
19	<b>Total Sales with Emp. Disc</b>		595,539	12,864,074	\$1,251,941	\$11,885	\$1,263,826	\$1,251,941	\$15,131	\$1,267,072	\$0	0.0%	\$3,246	0.3%
20	AGA Revenue				\$2,439		\$2,439	\$2,439		\$2,439	\$0			
21	<b>Total Sales</b>		595,539	12,864,074	\$1,254,380	\$11,885	\$1,266,265	\$1,254,380	\$15,131	\$1,269,511	\$0	0.0%	\$3,246	0.3%

<sup>1</sup> Excludes effects of the Low Income Bill Payment Assistance Charge (Sch. 91), BPA Credit (Sch. 98), Klamath Dam Removal Surcharges (Sch. 199), Public Purpose Charge (Sch. 290). INCLUDES effects of Energy Conservation Charge (Sch. 297).  
<sup>2</sup> Percentages shown for Schedules 48 and 47 reflect the combined rate change for both schedules